State of Washington
Office of Financial Management

Single Audit Report

For the Fiscal Year Ended June 30, 2013

March 2014

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Single Audit Report
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Washington State Auditor
Troy Kelley

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

November 8, 2013

The Honorable Jay Inslee
Governor, State of Washington

Dear Governor Inslee:

REPORT ON THE FINANCIAL STATEMENTS

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, 2013, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Department of Retirement Systems, 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 position, 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 Position	Percent of Total Revenues/ Additions
Governmental Activities	12.3%	22.4%	8.9.%
Business-Type Activities	75.4%	100%	31.4%

Higher Education Special Revenue Fund	56.2%	52.0%	47.9%
Higher Education Endowment Fund	97.5%	96.0%	100.0%
Higher Education Student Services Fund	68.5%	71.7%	82.0%
Workers' Compensation Fund	97.2%	100%	9.3%
Guaranteed Education Tuition Program Fund	82.4%	100%	52.4%
Aggregate Discretely Presented Component Units and Remaining Fund Information	91.9%	93.6%	70.8%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, 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 from material misstatement. The financial statements of the Department of Retirement Systems, 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the State's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the reports of the 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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As explained in Note 1.D.1, the financial statements include pension trust fund investments valued at $26.5 billion which comprise 27.0% of total assets and 29.7% of net position 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. Our opinion is not modified with respect to this matter.

As described in Note 2, during the year ended June 30, 2013, the State has implemented the Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34, Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, information on postemployment benefits other than pensions, infrastructure modified approach information and pension trust fund information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.

TROY KELLEY
STATE AUDITOR

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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, 2013. 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 and deferred outflows of the state of Washington exceeded its liabilities by $21.48 billion (reported as net position). Of this amount, $(8.96) billion was reported as "unrestricted net position." 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 $12.43 billion, an increase of 6.8 percent compared with the prior year.

- While the state's capital assets increased by $1.51 billion and total bond debt increased by $729.9 million during the current fiscal year, the state's net investment in capital assets is $20.45 billion.

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 Position. The *Statement of Net Position* presents information on all of the state of Washington's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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, the guaranteed education tuition program and various higher education student services such as housing and dining.

The government-wide financial statements can be found on pages 41-43 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. 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.

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 three 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 46-49 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 Guaranteed Education Tuition Program 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 50-57 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 58-59 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 two major component units, the Washington State Public Stadium Authority and the Health Benefit Exchange, as well as four nonmajor component units. Refer to Note 1 on pages 65-66 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 60-61 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 63-159 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 postemployment benefits schedules of funding progress and contributions, and infrastructure assets reported using the modified approach.

Required supplementary information can be found on pages 161-180 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 181-233 of this report.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
ASSETS						
Current and other assets	$ 19,999	$ 18,354	$ 22,119	$ 21,429	$ 42,118	$ 39,783
Capital assets	35,435	34,298	2,761	2,390	38,196	36,688
Total assets	55,434	52,652	24,880	23,819	80,314	76,471
DEFERRED OUTFLOWS OF RESOURCES	-	-	16	-	16	-
LIABILITIES						
Current and other liabilities	4,585	3,446	912	527	5,497	3,973
Long-term liabilities outstanding	24,508	24,116	28,842	27,869	53,350	51,985
Total liabilities	29,093	27,562	29,754	28,396	58,847	55,958
NET POSITION						
Net Investment in capital assets	19,706	19,561	740	797	20,446	20,358
Restricted	6,524	5,296	3,469	3,225	9,993	8,521
Unrestricted	111	233	(9,067)	(8,599)	(8,956)	(8,366)
Total net position	$ 26,341	$ 25,090	$ (4,858)	$ (4,577)	$ 21,483	$ 20,513

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the state of Washington, total assets and deferred outflows of resources exceed liabilities by $21.48 billion at June 30, 2013, as compared to $20.51 billion as reported at June 30, 2012.

The largest portion of the state's net position (95.2 percent for fiscal year 2013 as compared to 99.2 percent for fiscal year 2012) reflects its net 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 position (46.5 percent for fiscal year 2013 as compared to 41.5 percent for fiscal year 2012) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $(8.96) billion represents unrestricted net position. The state's overall negative balance in unrestricted net position is caused by deficits in business-type activities.

In governmental activities, net position increased from $25.09 billion in fiscal year 2012 to $26.34 billion in fiscal year 2013. The increase reflects increases in charges for services and tax revenues that outpaced the increases in expenses.

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 Position

(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2013	2012*	2013	2012	2013	2012
REVENUES						
Program revenues:						
Charges for services	$ 5,749	$ 5,032	$ 6,166	$ 6,393	$ 11,915	$ 11,425
Operating grants and contributions	12,027	11,984	870	1,443	12,897	13,427
Capital grants and contributions	997	944	-	1	997	945
General revenues:						
Taxes	17,072	16,341	23	72	17,095	16,413
Interest and investment earnings (loss)	397	169	523	1,150	920	1,319
Other general revenues	-	-	-	30	-	30
Total revenues	36,242	34,470	7,582	9,089	43,824	43,559
EXPENSES						
General government	(1,537)	(1,219)	-	-	(1,537)	(1,219)
Education - K-12	(8,238)	(8,257)	-	-	(8,238)	(8,257)
Education - Higher education	(6,992)	(6,526)	-	-	(6,992)	(6,526)
Human services	(13,181)	(13,168)	-	-	(13,181)	(13,168)
Adult corrections	(844)	(886)	-	-	(844)	(886)
Natural resources and recreation	(1,096)	(982)	-	-	(1,096)	(982)
Transportation	(2,379)	(2,396)	-	-	(2,379)	(2,396)
Interest on long-term debt	(955)	(911)	-	-	(955)	(911)
Workers' compensation	-	-	(3,330)	(1,919)	(3,330)	(1,919)
Unemployment compensation	-	-	(1,983)	(2,817)	(1,983)	(2,817)
Higher education student services	-	-	(1,927)	(1,834)	(1,927)	(1,834)
Liquor control	-	-	-	(566)	-	(566)
Washington's lottery	-	-	(437)	(407)	(437)	(407)
Guaranteed education tuition program	-	-	105	(96)	105	(96)
Other business-type activities	-	-	(126)	(115)	(126)	(115)
Total expenses	(35,222)	(34,345)	(7,698)	(7,754)	(42,920)	(42,099)
Excess (deficiency) of revenues over expenses before contributions to endowments and transfers	1,020	125	(116)	1,335	904	1,460
Contributions to endowments	63	47	-	-	63	47
Transfers	114	165	(114)	(165)	-	-
Increase (decrease) in net position	1,197	337	(230)	1,170	967	1,507
Net position - July 1, as restated	25,144	24,753	(4,628)	(5,747)	20,516	19,006
Net position - June 30	$ 26,341	$ 25,090	$ (4,858)	$ (4,577)	$ 21,483	$ 20,513

* Prior year balances restated for comparability

Governmental Activities. Governmental activities resulted in an increase in the state of Washington's net position of $1.20 billion. A number of factors contributed to the increase:

- Tax revenues increased by $731.0 million in fiscal year 2013 as compared to fiscal year 2012 reflecting positive growth in the economy. Sales and use taxes reported an increase of $360.5 million. Sales and use taxes are the main tax revenue for governmental activities. Business and occupation tax, the second largest source of tax revenue in governmental activities, increased by $144.8 million in fiscal year 2013 over 2012. It is a tax on the gross receipts of all businesses operating in Washington. Real estate excise tax revenue increased by $156.9 million. Real estate excise taxes are levied on the sale of real estate. These tax revenue increases reflect the slowly rebounding economy, recovering housing markets, and improving employment picture in Washington.

- Charges for services increased by $727.1 million in fiscal year 2013 compared to fiscal year 2012. Tuition and fee increases at higher education institutions accounted for $308.6 million of the increase.

- Operating and capital grants and contributions, and investment earnings in fiscal year 2013 were fairly consistent with fiscal year 2012.

- Expenses grew moderately in fiscal year 2013 as compared to fiscal year 2012. Higher education activities accounted for $466.2 million of the increase which is consistent with the tuition and fee revenue increase.

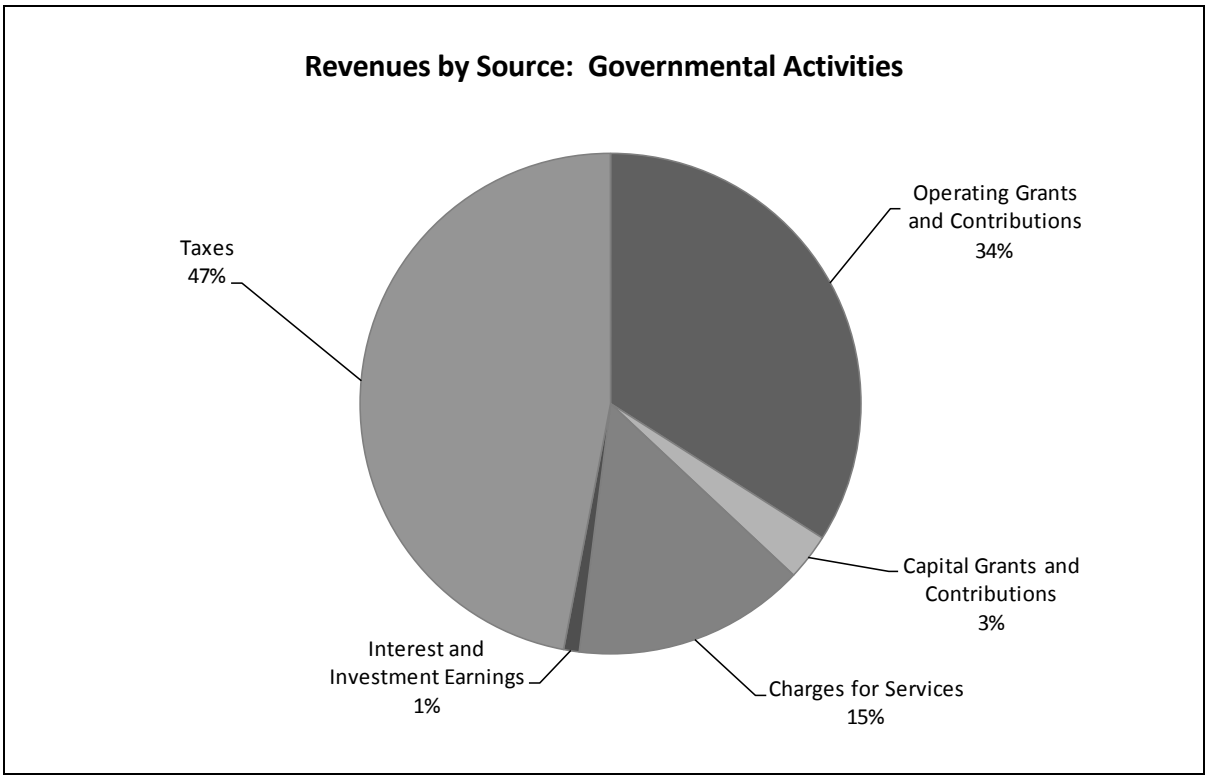
Business-Type Activities. Business-type activities decreased the state of Washington's net position by $230.1 million which was comprised of a decrease in the workers' compensation activity offset by gains in both the unemployment compensation and guaranteed education tuition activities. Key factors contributing to the operating results of business-type activities are:

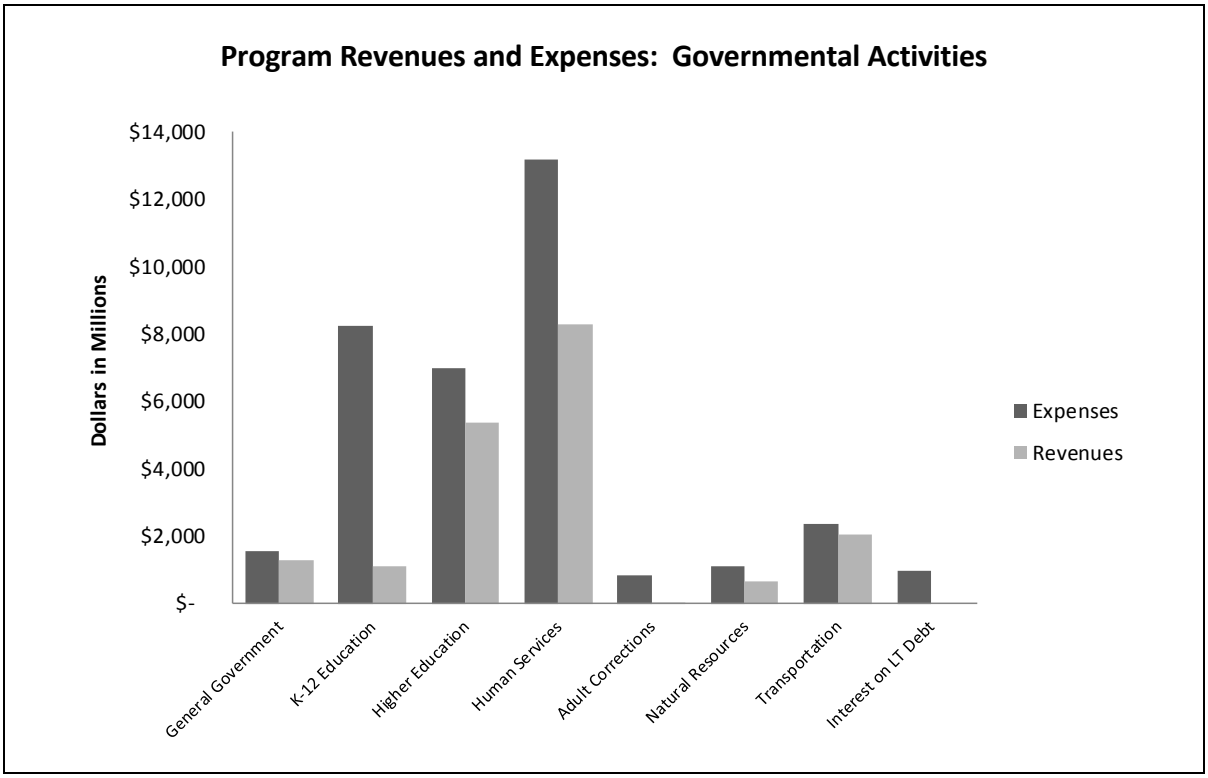
- The workers' compensation activity decrease in net position in fiscal year 2013 was $925.9 million compared to an increase of $1.16 billion in fiscal year 2012. Premium revenue increased by $108.6 million as a result of an increase in the number of hours reported by employers. Claim costs increased by $1.54 billion in fiscal year 2013 compared with fiscal year 2012 reflecting an increase in the actuarial valuation of the present value of future claims costs. Factors increasing the valuation of the supplemental pension plan included actual mortality experience exceeding expected mortality rates; higher actual cost-of-living increase than assumed coupled with a change in future cost-of-living escalation assumption; and a decrease in the discount rate. The key factor increasing the valuation of future obligations associated with the basic plan was an increase in the expected number of claimants receiving medical benefits at older ages. Nonoperating investment income decreased by $785.9 million due predominately to decreases in unrealized losses. While the equity markets experienced significant appreciation from the prior year, the fixed income market experienced significant depreciation. The workers' compensation portfolio is 85.4 percent fixed income investments.

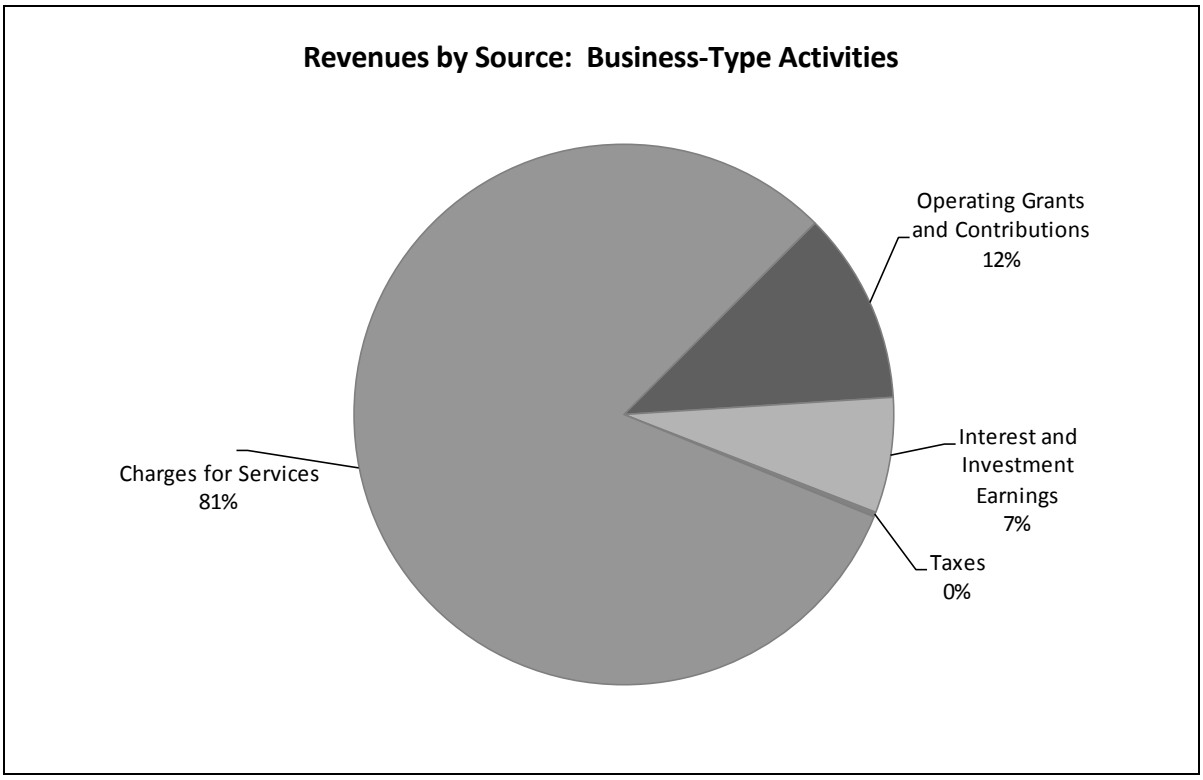
- The unemployment compensation activity reported an operating income in fiscal year 2013 of $174.3 million, compared to $51.8 million operating loss in fiscal year 2012. Washington's unemployment insurance program is an experience-based system with the largest part of an individual employer's tax rate being based on the employer's layoff history over the past four years. The economic recovery in the state has stabilized employment and resulted in a decline in unemployment insurance benefits of $833.6 million in fiscal year 2013 over fiscal year 2012. The decrease in benefit costs was the result of a decline in the number of claims and the duration of claims. The unemployment rate for the state for June 2013 was 7.0 percent, down from 8.4 percent in June 2012, and the insured rate declined to 2.2 percent in fiscal year 2013 from 2.4 percent in fiscal year 2012. Since the state's unemployment insurance premiums are experienced based, the declining unemployment rate resulted in a 2.8 percent decrease in premium revenue. The $569.4 million decline in federal aid also reflects the decrease in the unemployment rate.

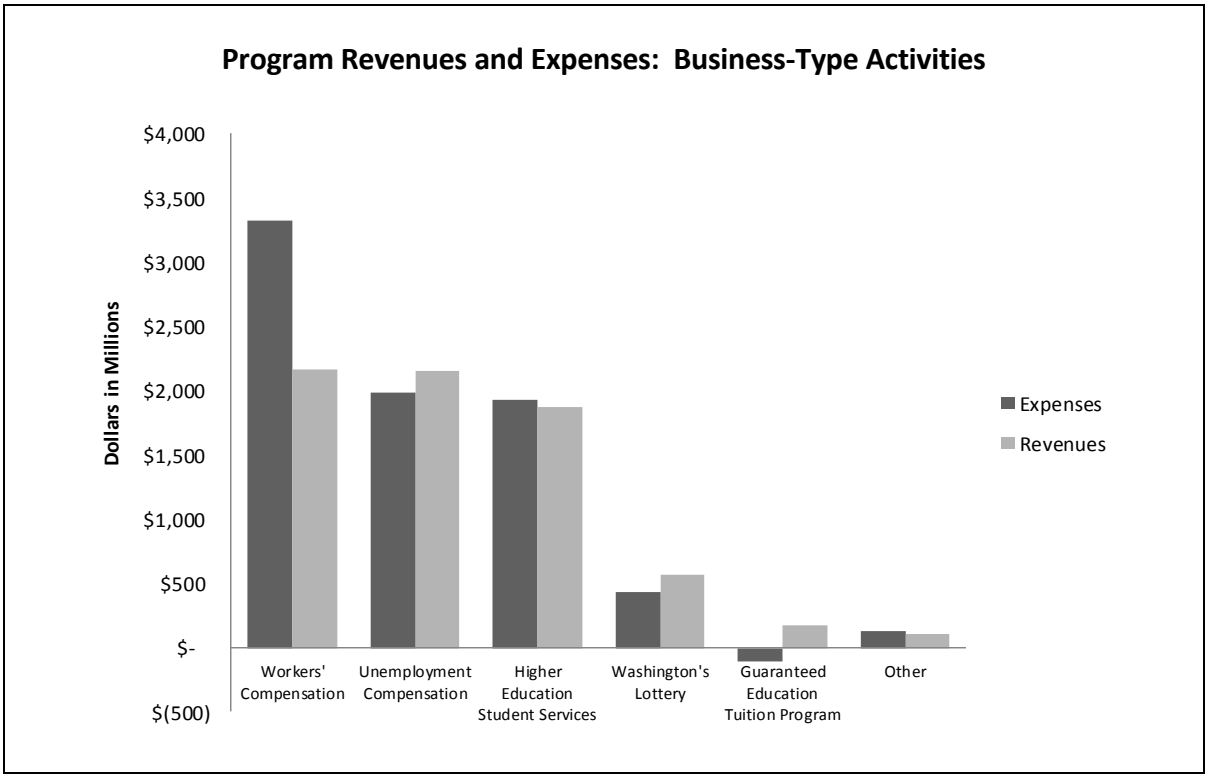
- The guaranteed education tuition activity reported an increase in net position of $470.4 million. The increase is the result of the actuarial reduction of the present value of the future tuition obligation. The reduction was caused by a number of factors including: (1) the actual investment rate of return of 9.6 percent exceeded the expected rate of 6.0 percent; (2) the actual annualized rate of tuition growth was 0.0 percent which was less than the assumed rate of 12.0 percent; and (3) tuition unit sales exceeded expectations by 12.0 percent.

- The remaining business-type activities reported relatively proportional increases in both expenses and charges for services when compared to the prior year.


Revenues by Source: Governmental Activities
Operating Grants and Contributions 34%
Taxes 47%
Capital Grants and Contributions 3%
Interest and Investment Earnings 1%
Charges for Services 15%


Program Revenues and Expenses: Governmental Activities
Dollars in Millions
$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
Operating Grants and Contributions 12%
Interest and Investment Earnings 7%
Taxes 0%
Charges for Services 81%


Program Revenues and Expenses: Business-Type Activities
Dollars in Millions
$4,000
$3,500
$3,000
$2,500
$2,000
$1,500
$1,000
$500
$-
$(500)
Workers' Compensation
Unemployment Compensation
Higher Education Student Services
Washington's Lottery
Guaranteed Education Tuition Program
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.

Adjustments to Beginning Fund Balances. As described in Note 2 to the financial statements on pages 75 and 76, beginning fund balances of governmental funds were adjusted, including the reclassification of the Liquor Revolving Fund from a business-type activity to a governmental activity.

Fund Balances. At June 30, 2013, the state's governmental funds reported combined ending fund balances of $12.43 billion. Of this amount, $2.34 billion or 18.8 percent is nonspendable, either due to its form or legal constraints, and $4.19 billion or 33.8 percent is restricted for specific programs by external constraints, constitutional provisions or contractual obligations. An additional $5.00 billion or 40 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 $835.2 million or 6.7 percent of total fund balance has been assigned to specific purposes by management.

The General Fund is the chief operating fund of the state of Washington. As noted in the table below, fund balance improved as a result of operations by $375.0 million in fiscal year 2013, as compared to a $214.0 million loss in fiscal year 2012. Increased tax revenue and relatively stable expenditures were the key contributing factors. Assigned fund balance of $835.2 million is reported for fiscal year 2013 and relates to certain accrued revenues which are not considered by management to be available for budgetary purposes.

STATE OF WASHINGTON
General Fund
(in millions of dollars)

	Fiscal Year 2013	Fiscal Year 2012	Difference Increase (Decrease)
REVENUES			
Taxes	$ 15,295	$ 14,547	$ 748
Federal grants	8,780	8,824	(44)
Investment revenue (loss)	(17)	(6)	(11)
Other	644	618	26
Total	24,702	23,983	719
EXPENDITURES			
Human services	13,235	13,209	26
Education	9,115	9,169	(54)
Other	1,392	1,350	42
Total	23,742	23,728	14
Net transfers in (out)	(716)	(560)	(156)
Other financing sources	131	91	40
Net increase (decrease) in fund balance	$ 375	$ (214)	$ 589

General Fund expenditures continue to be concentrated in services and programs most vital to citizens – primarily human services and public education.

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

- The fund balance of the Higher Education Special Revenue Fund increased by $347.5 million in fiscal year 2013. Increases in charges for services offset the increased costs of higher education activities.

- The fund balance for the Higher Education Endowment Fund increased by $282.5 million compared to a decrease of $61.9 in fiscal year 2012. Support from donors increased by $15.4 million and investment earnings increased by $309.5 million compared to fiscal year 2012.

Proprietary Funds. The state of Washington's proprietary funds provides the same type of information found in the government-wide financial statements, but in more detail. Significant changes are as follows:

- The Workers' Compensation Fund reported a decrease in net position of $925.9 million in fiscal year 2013. Operating revenues increased by $107.9 million and operating expenses increased by $1.41 billion as compared to fiscal year 2012. As previously reported, operating revenues increased due to an increase in reported hours and claims expense increased due to the changes to actuarial projections. Investment income decreased as compared to fiscal year 2012 due to net realized and unrealized capital losses.

- Washington's Unemployment Compensation Fund reported an increase in net position of $244.8 million. As reported previously, the decrease in the unemployment rate impacted both revenues and expenses. Premium revenues decreased by $32.6 million in fiscal year 2013 over 2012, and federal aid decreased by $569.4 million over the same period. These were offset by a decrease in unemployment benefit claims by $833.6 million in fiscal year 2013 as compared to 2012.

- The Guaranteed Education Tuition (GET) Program Fund reported an increase in net position of $470.4 million in fiscal year 2013. As previously reported, the increase is largely the result of an actuarial reduction of the present value of the future tuition obligation.

- The Higher Education Student Services Fund reported increases to tuition and fee revenue, and operating expenses. While net operating income for fiscal year 2013 was $9.5 million higher than fiscal year 2012, the change in net position for fiscal year 2013 was $37.3 million less than fiscal year 2012 due to a reduction in transfers in from other funds.

- Nonmajor enterprise funds reported decreased revenue and expenses in fiscal year 2013 compared to fiscal year 2012 largely due to the transfer of liquor distribution and retail sales to the private sector at the end of fiscal year 2012. The net position of the nonmajor enterprise funds declined by $11.9 million in fiscal year 2013 after reporting an increase of $19.6 million in fiscal year 2012. The major contributing factor was the decrease in investment income reported by the Lottery Fund which was caused by market value adjustments. The Lottery Fund funds long term prize obligations with U.S. Treasury securities for which changes in interest rates can have a marked effect on current valuations.

General Fund Budgetary Highlights

Differences between the original budget of the General Fund and the final amended budget reflect adjustment to a slower paced economic recovery during the biennium ended June 30, 2013. Changes to estimates are summarized as follows:

- Estimated biennial resources decreased by $1.25 billion over the course of the biennium. The major decrease in estimated resources is reported in taxes reflecting that the pace of the economic recovery was slower than initially anticipated. Actual revenues are $929.2 million less than the revised estimates.

- Appropriated expenditure authority decreased by $583.1 million over the course of the biennium in response to the decline in estimated revenues. The major decrease in appropriation authority was in human services. Actual expenditures were $1.28 billion less than the final appropriation authority.

The state did not overspend its legal spending authority for the 2011-2013 biennium. Actual General Fund revenues and expenditures were 98.1 and 97.3 percent of final budgeted revenues and appropriations, respectively, for the 2011-2013 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, 2013, totaled $38.20 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 2013 investment in capital assets, net of current year depreciation, increased $1.51 billion over fiscal year 2012, including increases to the state's transportation infrastructure of $812.4 million. 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 $2.82 billion.

Additional information on the state of Washington's capital assets can be found in Note 6 beginning on page 104 of this report.

Infrastructure. The state uses the modified approach for reporting selected infrastructure assets. The modified approach requires that the state meet certain requirements regarding the inventory and maintenance of eligible capital assets, including condition assessments. Under the modified approach, assets are not depreciated and certain maintenance and preservation costs associated with those assets are expensed. Assets accounted for under this approach include approximately 20,680 lane miles of pavement, 3,267 bridges, and 48 highway safety rest areas.

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

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	$ 2,388	$ 2,358	$ 61	$ 63	$ 2,449	$ 2,421
Transportation infrastructure and other assets not depreciated	21,805	20,991	5	-	21,810	20,991
Buildings	7,610	7,511	1,988	1,402	9,598	8,913
Furnishings, equipment and intangible assets	1,480	1,480	182	162	1,662	1,642
Other improvements and infrastructure	1,218	1,145	83	81	1,301	1,226
Construction in progress	934	813	442	681	1,376	1,494
Total	$ 35,435	$ 34,298	$ 2,761	$ 2,389	$ 38,196	$ 36,687

The state's goal is to maintain 90 percent of pavement, 95 percent of bridges, and 95 percent of safety rest areas at a condition level of fair or better. The condition of these assets, along with the rating scales for pavement, bridges, rest areas, and additional detail comparing planned to actual preservation and maintenance spending are available in the required supplementary information beginning on page 177.

Pavement is assessed on a two year cycle. The most recent pavement condition assessment indicated that 91.2 percent of pavement was in fair or better condition. The condition of pavement has declined in the last three assessment periods. Over the past five fiscal years, the state has invested fewer resources on preservation and maintenance of pavement than was planned. The average variance between actual and planned was 8.2 percent over the five years, and 20.9 percent for fiscal year 2013.

Bridges are assessed on a two year cycle. The most recent bridge condition assessment indicated that 95.4 percent of bridges were in fair or better condition. The condition of bridges has declined over the last three assessment periods. Over the past five fiscal years, the state has invested fewer resources on preservation and maintenance of bridges than was planned. The average variance between actual and planned was 22.3 percent over the five years, and 11.4 percent for fiscal year 2013.

Bond Debt. At the end of fiscal year 2013, the state of Washington had general obligation bond debt outstanding of $18.21 billion, an increase of 2 percent from fiscal year 2012. This debt is secured by a pledge of the full faith and credit of the state. Additionally, the state had authorized $6.33 billion general obligation debt that remains unissued.

During fiscal year 2013, the state issued general obligation debt totaling $2.73 billion for various capital and transportation projects as well as to refund outstanding bonds. Bonds totaling $2.37 billion were retired during the year. Washington's refunding activity produced a savings of $213.9 million in future debt service costs.

General obligation debt is subject to the limitation prescribed by the State Constitution. The aggregate debt contracted by the state as of June 30, 2013, 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 2011, 2012, and 2013 is $12.53 billion. The debt service limitation, 9 percent of this mean, is $1.13 billion. The state's maximum annual debt service as of June 30, 2013, subject to the constitutional debt limitation is $1.06 billion, or $71.6 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 at:
http://www.tre.wa.gov/documents/debt_cdl2013.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, 2013, 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	
	2013	2012*	2013	2012*	2013	2012*
General obligation (GO) bonds	$ 18,200	$ 17,838	$ 11	$ 15	$ 18,211	$ 17,853
Accreted interest on zero interest rate GO bonds	439	415	-	-	439	415
Revenue bonds	1,705	1,650	2,031	1,738	3,736	3,388
Total	$ 20,344	$ 19,903	$ 2,042	$ 1,753	$ 22,386	$ 21,656

* Prior year balances restated for comparability

The state had revenue debt outstanding at June 30, 2013, of $3.74 billion, an increase of $347.4 million over fiscal year 2012. This increase is primarily 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 which 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 108 of this report.

Additional information on the state's legal debt limit is presented in the statistical section on page 264 of this report.

Conditions with Expected Future Impact

Economic Outlook. The forecast for Washington for the 2013-2015 biennium reflects the continuation of moderate growth. The September 2013 state's revenue forecast of General Fund state revenue increased expected revenue for the 2013 – 2015 biennium by $222.0 million. Additionally, forecasted revenues increased by $123.0 million due to legislation passed in the June 2013 special session.

That said, in the coming year, legislative leaders and management will be facing a number of challenges including:

- The state's economy continues to be adversely impacted by violence in the Middle East and weak Asian and European economies.

- The political discord in the nation's capital and uncertainty surrounding U.S. tax and budget policy also threaten the U.S. and Washington economies. Political wrangling around the federal debt ceiling and the federal budget impasse have the potential to dampen recent gains in consumer confidence.

- As the federal stimulus winds down, government spending has been declining which puts additional pressure on state and local governments.

- The state's operating budget for the 2013-2015 biennium included a $1.03 billion increase in K-12 education funding to address the requirements of the January 2012 Washington Supreme Court's McCleary ruling for the state to fund basic education. The state will be challenged to fully meet the K-12 funding requirements in future biennia.

- Under legislation approved in 2012, and beginning with the 2013-2015 biennium, Washington became the only state in the nation required to pass a budget that balances spending against anticipated revenue over a four year period.

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 20, 2013, $139.2 million was transferred to the BSA from the General Fund in accordance with the provisions of the Constitution. The BSA has a fund balance of $269.7 million as of June 30, 2013.

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, Accounting Division, P.O. Box 43113, Olympia, WA 98504-3113.

Basic Financial Statements

Government-wide Financial Statements

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Statement of Net Position

June 30, 2013

(expressed in thousands)

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and pooled investments	$ 4,846,863	$ 4,189,390	$ 9,036,253	$ 76,013
Taxes receivable (net of allowance for uncollectibles)	3,303,301	-	3,303,301	-
Other receivables (net of allowance for uncollectibles)	1,446,164	1,567,216	3,013,380	15,511
Internal balances	306,212	(306,212)	-	-
Due from other governments	4,076,147	155,206	4,231,353	-
Inventories	95,368	65,762	161,130	-
Restricted cash and investments	592,168	13,237	605,405	3,770
Investments, noncurrent	5,193,256	15,991,570	21,184,826	-
Restricted investments, noncurrent	-	54,873	54,873	10,963
Restricted receivables, noncurrent	111,197	-	111,197	-
Other assets	28,557	388,304	416,861	106,838
Capital assets:				
Non-depreciable assets	25,127,230	507,008	25,634,238	35,088
Depreciable assets (net of accumulated depreciation)	10,307,302	2,254,210	12,561,512	301,821
Total capital assets	35,434,532	2,761,218	38,195,750	336,909
Total Assets	55,433,765	24,880,564	80,314,329	550,004
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	15,848	15,848	-
Total Deferred Outflows ofRresources	-	15,848	15,848	-
Total Assets and Deferred Outflows of Resources	$ 55,433,765	$ 24,896,412	$ 80,330,177	$ 550,004
LIABILITIES AND NET POSITION				
LIABILITIES				
Accounts payable	$ 1,543,845	$ 134,186	$ 1,678,031	$ 44,976
Contracts and retainage payable	192,792	28,068	220,860	4,364
Accrued liabilities	966,783	380,783	1,347,566	5,612
Obligations under security lending agreements	193,915	88,057	281,972	-
Due to other governments	1,376,191	234,272	1,610,463	-
Unearned revenues	311,801	46,613	358,414	17,458
Long-term liabilities:				
Due within one year	1,193,811	2,161,454	3,355,265	-
Due in more than one year	23,313,815	26,680,743	49,994,558	13,206
Total Liabilities	29,092,953	29,754,176	58,847,129	85,616
NET POSITION				
Net investment in capital assets	19,706,029	739,824	20,445,853	320,369
Restricted for:				
Unemployment compensation	-	3,469,741	3,469,741	-
Expendable endowment funds	1,455,021	-	1,455,021	-
Nonexpendable permanent endowments	2,121,711	-	2,121,711	-
Transportation	783,133	-	783,133	-
Wildlife and natural resources	875,766	-	875,766	-
Budget stabilization	269,651	-	269,651	-
Loan programs	135,655	-	135,655	-
Other purposes	882,395	-	882,395	13,429
Unrestricted	111,451	(9,067,329)	(8,955,878)	130,590
Total Net Position	26,340,812	(4,857,764)	21,483,048	464,388
Total Liabilities and Net Position	$ 55,433,765	$ 24,896,412	$ 80,330,177	$ 550,004

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

Statement of Activities

For the Fiscal Year Ended June 30, 2013

(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	$ 1,536,943	$ 976,944	$ 298,393	$ 8,612
Education - elementary and secondary (K-12)	8,237,450	13,718	1,083,034	-
Education - higher education	6,992,422	2,760,015	2,567,009	25,570
Human services	13,181,579	544,435	7,744,199	-
Adult corrections	843,550	7,795	1,658	-
Natural resources and recreation	1,095,814	421,286	191,400	64,258
Transportation	2,378,860	1,025,183	141,328	898,246
Interest on long-term debt	955,158	-	-	-
Total Governmental Activities	35,221,776	5,749,376	12,027,021	996,686
Business-Type Activities:				
Workers' compensation	3,329,444	2,154,318	8,797	175
Unemployment compensation	1,982,958	1,308,089	849,214	-
Higher education student services	1,927,051	1,857,364	11,737	-
Washington's lottery	437,298	569,580	-	-
Guaranteed education tuition program	(105,192)	173,771	-	-
Other	126,100	102,760	337	-
Total Business-Type Activities	7,697,659	6,165,882	870,085	175
Total Primary Government	$ 42,919,435	$ 11,915,258	$ 12,897,106	$ 996,861
COMPONENT UNITS	$ 46,307	$ 32,898	$ 28,495	$ 2,481
Total Component Units	$ 46,307	$ 32,898	$ 28,495	$ 2,481

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 and transfers

Contributions to endowments

Transfers

Change in Net Position

Net Positon - Beginning, as restated

Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
$ (252,994)	$ -	$ (252,994)	
(7,140,698)	-	(7,140,698)	
(1,639,828)	-	(1,639,828)	
(4,892,945)	-	(4,892,945)	
(834,097)	-	(834,097)	
(418,870)	-	(418,870)	
(314,103)	-	(314,103)	
(955,158)	-	(955,158)	
(16,448,693)	-	(16,448,693)	
-	(1,166,154)	(1,166,154)	
-	174,345	174,345	
-	(57,950)	(57,950)	
-	132,282	132,282	
-	278,963	278,963	
-	(23,003)	(23,003)	
-	(661,517)	(661,517)	
(16,448,693)	(661,517)	(17,110,210)	
			$ 17,567
			17,567
7,709,900	-	7,709,900	-
3,294,179	-	3,294,179	-
1,939,883	-	1,939,883	-
1,194,910	-	1,194,910	-
651,458	22,605	674,063	-
465,148	-	465,148	-
439,731	-	439,731	-
436,118	-	436,118	-
940,255	-	940,255	-
397,068	523,071	920,139	386
17,468,650	545,676	18,014,326	386
1,019,957	(115,841)	904,116	17,953
62,589	-	62,589	-
114,266	(114,266)	-	-
1,196,812	(230,107)	966,705	17,953
25,144,000	(4,627,657)	20,516,343	446,435
$ 26,340,812	$ (4,857,764)	$ 21,483,048	$ 464,388

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Basic Financial Statements

Fund Financial Statements

Balance Sheet
GOVERNMENTAL FUNDS
June 30, 2013
(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
ASSETS					
Cash and pooled investments	$ 640,834	$ -	$ 99,367	$ 3,279,464	$ 4,019,665
Investments	6,608	1,417,834	3,312,686	239,185	4,976,313
Taxes receivable (net of allowance)	3,170,338	14,655	-	118,308	3,303,301
Other receivables (net of allowance)	153,516	407,719	24,536	833,125	1,418,896
Due from other funds	154,362	871,008	703	503,431	1,529,504
Due from other governments	1,211,297	154,714	1	2,322,237	3,688,249
Inventories and prepaids	12,910	14,402	-	50,994	78,306
Restricted assets:					
Cash and investments	54,631	1,781	-	535,736	592,148
Receivables	1,748	77,336	-	10,775	89,859
Total Assets	$ 5,406,244	$ 2,959,449	$ 3,437,293	$ 7,893,255	$ 19,696,241
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 862,305	$ 85,467	$ 42,581	$ 491,468	$ 1,481,821
Contracts and retainages payable	33,316	4,419	2,118	151,845	191,698
Accrued liabilities	184,394	291,745	182	63,881	540,202
Obligations under security lending agreements	73,830	1,143	1,068	101,296	177,337
Due to other funds	408,472	40,230	2,177	616,928	1,067,807
Due to other governments	857,470	12,457	-	177,442	1,047,369
Unearned revenue	79,276	149,544	385	80,265	309,470
Claims and judgments payable	32,173	-	-	7,994	40,167
Total Liabilities	2,531,236	585,005	48,511	1,691,119	4,855,871
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,492,418	11,718	9,911	901,176	2,415,223
Total Deferred Inflows of Resources	1,492,418	11,718	9,911	901,176	2,415,223
Fund Balances (Deficits):					
Nonspendable fund balance	49,819	60,425	1,991,845	237,229	2,339,318
Restricted fund balance	299,165	-	1,387,026	2,507,991	4,194,182
Committed fund balance	59,579	2,302,301	-	2,635,027	4,996,907
Assigned fund balance	835,152	-	-	40	835,192
Unassigned fund balance	138,875	-	-	(79,327)	59,548
Total Fund Balances (Deficits)	1,382,590	2,362,726	3,378,871	5,300,960	12,425,147
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	$ 5,406,244	$ 2,959,449	$ 3,437,293	$ 7,893,255	$ 19,696,241

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

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

June 30, 2013

(expressed in thousands)

Total Fund Balances for Governmental Funds		$ 12,425,147
Amounts reported for governmental activities in the Statement of Net Position 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	$ 25,079,284	
Depreciable assets	17,409,544	
Less: Accumulated depreciation	(7,803,972)	
Total capital assets		34,684,856
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 considered deferred inflows in the funds.		2,415,223
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.		20,000
Unmatured interest on general obligation bonds is not recognized in the funds until due.		(379,945)
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 Position.		271,285
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	$ (19,957,617)	
Accreted interest on bonds	(438,787)	
Compensated absences	(529,793)	
Other postemployment benefits obligations	(1,389,683)	
Unfunded pension obligations	(340,441)	
Claims and judgments	(40,249)	
Pollution remediation obligations	(171,816)	
Other obligations	(227,368)	
Total long-term liabilities		(23,095,754)
Net Position of Governmental Activities		$ 26,340,812

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, 2013

(expressed in thousands)

	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
REVENUES					
Retail sales and use taxes	$ 7,628,507	$ -	$ -	$ 81,393	$ 7,709,900
Business and occupation taxes	3,290,839	-	-	3,340	3,294,179
Property taxes	1,939,883	-	-	-	1,939,883
Excise taxes	581,861	-	-	69,597	651,458
Motor vehicle and fuel taxes	-	-	-	1,194,910	1,194,910
Other taxes	1,852,719	102,659	-	298,583	2,253,961
Licenses, permits, and fees	105,317	299	-	1,493,238	1,598,854
Timber sales	2,080	-	15,065	104,897	122,042
Other contracts and grants	242,955	815,191	-	76,765	1,134,911
Federal grants-in-aid	8,780,167	1,735,344	71	1,373,215	11,888,797
Charges for services	31,960	2,566,134	1	628,572	3,226,667
Investment income (loss)	(17,396)	23,871	330,476	60,117	397,068
Miscellaneous revenue	195,332	91,545	2,071	418,139	707,087
Unclaimed property	68,162	-	-	-	68,162
Contributions and donations	-	-	62,589	-	62,589
Total Revenues	24,702,386	5,335,043	410,273	5,802,766	36,250,468
EXPENDITURES					
Current:					
General government	721,375	-	105	440,842	1,162,322
Human services	13,235,429	385	-	721,162	13,956,976
Natural resources and recreation	419,911	-	1	622,964	1,042,876
Transportation	47,394	-	-	1,750,002	1,797,396
Education	9,114,825	4,901,076	3,447	531,874	14,551,222
Intergovernmental	108,341	-	-	331,455	439,796
Capital outlays	76,300	196,599	630	2,182,487	2,456,016
Debt service:					
Principal	18,251	35,032	-	730,483	783,766
Interest	118	11,609	-	908,871	920,598
Total Expenditures	23,741,944	5,144,701	4,183	8,220,140	37,110,968
Excess of Revenues Over (Under) Expenditures	960,442	190,342	406,090	(2,417,374)	(860,500)
OTHER FINANCING SOURCES (USES)					
Bonds issued	121,789	39,725	-	1,039,386	1,200,900
Refunding bonds issued	-	-	-	1,636,990	1,636,990
Payments to escrow agents for refunded bond debt	-	-	-	(1,893,883)	(1,893,883)
Issuance premiums	4,063	12,850	-	383,428	400,341
Other debt issued	4,469	108,876	-	44,135	157,480
Refunding COPs issued	-	10,590	-	-	10,590
Payments to escrow agents for refunded COP debt	-	(11,950)	-	-	(11,950)
Transfers in	596,496	217,936	1,299	2,335,874	3,151,605
Transfers out	(1,312,231)	(220,885)	(124,918)	(1,393,538)	(3,051,572)
Total Other Financing Sources (Uses)	(585,414)	157,142	(123,619)	2,152,392	1,600,501
Net Change in Fund Balances	375,028	347,484	282,471	(264,982)	740,001
Fund Balances - Beginning, as restated	1,007,562	2,015,242	3,096,400	5,565,942	11,685,146
Fund Balances - Ending	$ 1,382,590	$ 2,362,726	$ 3,378,871	$ 5,300,960	$ 12,425,147

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, 2013

(expressed in thousands)

Net Change in Fund Balances - Total Governmental Funds		$ 740,001
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	$ 1,700,805	
Less: Depreciation expense	(607,458)	1,093,347
Some revenues in the Statement of Activities do not provide current financial resources, and therefore, are unavailable 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.		37,130
Pension trust funding in excess of annual required contributions uses current financial resources, but does not qualify as an expense.		2,800
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.		242,627
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 position. In the current period, these amounts consist of:		
Bonds and other financing contracts issued	$ (3,006,835)	
Principal payments on bonds and other financing contracts	2,471,587	
Accreted interest on bonds	(24,068)	(559,316)
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	$ (11,128)	
Other postemployment benefits obligations	(295,498)	
Unfunded pension obligations	(58,018)	
Pollution remediation obligations	(6,582)	
Claims and judgments	(1,161)	
Accrued interest	(10,595)	
Unclaimed property	22,546	
Other obligations	659	(359,777)
Change in Net Position of Governmental Activities		$ 1,196,812

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

Statement of Net Position
PROPRIETARY FUNDS
June 30, 2013
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Current Assets:			
Cash and pooled investments	$ 64,403	$ 2,840,701	$ 1,043,445
Investments	27,592	-	6,050
Other receivables (net of allowance)	701,964	645,475	191,194
Due from other funds	20	4,442	4,302
Due from other governments	1,098	76,725	56,792
Inventories	185	-	57,480
Prepaid expenses	3	-	12,605
Restricted assets:			
Cash and investments	736	-	12,501
Total Current Assets	796,001	3,567,343	1,384,369
Noncurrent Assets:			
Investments, noncurrent	13,381,438	-	166,932
Restricted investments, noncurrent	2,781	-	52,092
Restricted receivables, noncurrent	-	-	-
Other noncurrent assets	-	-	89,146
Capital assets:			
Land and other non-depreciable assets	3,240	-	60,401
Buildings	65,134	-	2,674,121
Other improvements	1,289	-	91,631
Furnishings, equipment, and intangibles	92,218	-	531,974
Infrastructure	-	-	41,944
Accumulated depreciation	(98,921)	-	(1,164,988)
Construction in progress	6,202	-	435,625
Total Noncurrent Assets	13,453,381	-	2,978,878
Total Assets	14,249,382	3,567,343	4,363,247
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow on refundings	-	-	15,848
Total Deferred Outflows of Resources	-	-	15,848
Total Assets and Deferred Outflows of Resources	$ 14,249,382	$ 3,567,343	$ 4,379,095
LIABILITIES			
Current Liabilities:			
Accounts payable	$ 6,260	$ -	$ 113,000
Contracts and retainages payable	6,706	51	21,312
Accrued liabilities	141,840	13,689	210,919
Obligations under security lending agreements	27,592	-	-
Bonds and notes payable	3,605	-	85,952
Due to other funds	7,247	1,058	430,024
Due to other governments	5	82,804	53
Unearned revenue	6,567	-	39,795
Claims and judgments payable	1,851,660	-	-
Total Current Liabilities	2,051,482	97,602	901,055
Noncurrent Liabilities:			
Claims and judgments payable	21,775,900	-	-
Bonds and notes payable	7,870	-	1,995,281
Other long-term liabilities	38,949	-	123,550
Total Noncurrent Liabilities	21,822,719	-	2,118,831
Total Liabilities	23,874,201	97,602	3,019,886
NET POSITION			
Net investment in capital assets	57,687	-	667,190
Restricted for:			
Unemployment compensation	-	3,469,741	-
Unrestricted	(9,682,506)	-	692,019
Total Net Position	(9,624,819)	3,469,741	1,359,209
Total Liabilities and Net Position	$ 14,249,382	$ 3,567,343	$ 4,379,095

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

Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
$ 1,104	$ 111,231	$ 4,060,884	$ 818,014
60,465	34,399	128,506	27,854
6,172	22,411	1,567,216	27,187
2	9,804	18,570	88,649
-	4,664	139,279	15,817
-	8,097	65,762	20,793
-	549	13,157	4,826
-	-	13,237	20
67,743	191,155	6,006,611	1,003,160
2,274,568	168,632	15,991,570	198,273
-	-	54,873	-
-	-	-	21,338
286,000	1	375,147	81
-	1,540	65,181	6,475
-	12,828	2,752,083	468,647
-	2,597	95,517	16,213
89	29,675	653,956	854,733
-	-	41,944	1,933
(88)	(25,293)	(1,289,290)	(639,796)
-	-	441,827	41,471
2,560,569	189,980	19,182,808	969,368
2,628,312	381,135	25,189,419	1,972,528
-	-	15,848	-
-		15,848	-
$ 2,628,312	$ 381,135	$ 25,205,267	$ 1,972,528
$ 2,193	$ 12,733	$ 134,186	$ 62,024
151,000	-	179,069	1,094
10,166	71,369	447,983	57,735
60,465	-	88,057	16,578
-	433	89,990	69,224
316	19,046	457,691	111,236
-	2,574	85,436	89,862
-	251	46,613	2,331
-	1,603	1,853,263	167,818
224,140	108,009	3,382,288	577,902
-	9,607	21,785,507	514,472
-	5,967	2,009,118	485,354
2,565,279	158,340	2,886,118	123,515
2,565,279	173,914	26,680,743	1,123,341
2,789,419	281,923	30,063,031	1,701,243
1	14,946	739,824	251,218
-	-	3,469,741	-
(161,108)	84,266	(9,067,329)	20,067
(161,107)	99,212	(4,857,764)	271,285
$ 2,628,312	$ 381,135	$ 25,205,267	$ 1,972,528

Statement of Revenues, Expenses, and Changes in Net Position
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
OPERATING REVENUES			
Sales	$ -	$ -	$ 106,586
Less: Cost of goods sold	-	-	70,425
Gross profit	-	-	36,161
Charges for services	37	-	1,630,465
Premiums and assessments	2,123,483	1,286,170	-
Federal aid for unemployment insurance benefits	-	849,214	-
Lottery ticket proceeds	-	-	-
Miscellaneous revenue	30,863	21,919	121,975
Total Operating Revenues	2,154,383	2,157,303	1,788,601
OPERATING EXPENSES			
Salaries and wages	140,203	-	695,821
Employee benefits	44,598	-	196,461
Personal services	8,895	-	13,024
Goods and services	79,316	-	704,457
Travel	4,068	-	23,200
Premiums and claims	3,014,795	1,982,958	-
Lottery prize payments	-	-	-
Depreciation and amortization	8,428	-	127,404
Guaranteed education tuition program expense	-	-	-
Miscellaneous expenses	28,485	-	19,217
Total Operating Expenses	3,328,788	1,982,958	1,779,584
Operating Income (Loss)	(1,174,405)	174,345	9,017
NONOPERATING REVENUES (EXPENSES)			
Earnings (loss) on investments	240,161	70,506	24,470
Interest expense	(656)	-	(77,042)
Tax and license revenue	91	-	-
Other revenues (expenses)	8,732	-	10,075
Total Nonoperating Revenues (Expenses)	248,328	70,506	(42,497)
Income (Loss) Before Contributions and Transfers	(926,077)	244,851	(33,480)
Capital contributions	175	-	-
Transfers in	-	-	120,369
Transfers out	-	(61)	(94,402)
Net Contributions and Transfers	175	(61)	25,967
Change in Net Position	(925,902)	244,790	(7,513)
Net Position - Beginning, as restated	(8,698,917)	3,224,951	1,366,722
Net Position - Ending	$ (9,624,819)	$ 3,469,741	$ 1,359,209

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

Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
$ -	$ 68,794	$ 175,380	$ 110,930
-	49,168	119,593	104,225
-	19,626	55,787	6,705
173,771	29,358	1,833,631	617,270
-	1,329	3,410,982	1,303,370
-	-	849,214	-
-	569,587	569,587	-
-	3,246	178,003	118,280
173,771	623,146	6,897,204	2,045,625
2,203	47,396	885,623	275,856
518	17,603	259,180	101,574
127	12,067	34,113	20,306
1,620	83,508	868,901	346,806
40	1,436	28,744	3,571
-	-	4,997,753	965,310
-	339,366	339,366	-
4	1,466	137,302	80,950
(109,704)	-	(109,704)	-
-	362	48,064	2,058
(105,192)	503,204	7,489,342	1,796,431
278,963	119,942	(592,138)	249,194
191,480	(3,547)	523,070	1,913
-	(11,026)	(88,724)	(26,227)
-	22,514	22,605	21
-	364	19,171	1,095
191,480	8,305	476,122	(23,198)
470,443	128,247	(116,016)	225,996
-	-	175	2,398
-	13,164	133,533	70,424
-	(153,336)	(247,799)	(56,191)
-	(140,172)	(114,091)	16,631
470,443	(11,925)	(230,107)	242,627
(631,550)	111,137	(4,627,657)	28,658
$ (161,107)	$ 99,212	$ (4,857,764)	$ 271,285

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

	Business-Type Activities Enterprise Funds		
	Workers' Compensation	Unemployment Compensation	Higher Education Student Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 2,126,896	$ 1,211,376	$ 2,133,835
Payments to suppliers	(2,122,727)	(1,963,583)	(900,509)
Payments to employees	(186,823)	-	(864,892)
Other receipts	30,863	871,007	121,975
Net Cash Provided (Used) by Operating Activities	(151,791)	118,800	490,409
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in	-	-	120,369
Transfers out	-	(61)	(94,402)
Operating grants and donations received	8,843	-	6,492
Taxes and license fees collected	91	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	8,934	(61)	32,459
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	(717)	-	(53,163)
Principal payments on long-term capital financing	(3,400)	-	(29,206)
Proceeds from long-term capital financing	-	-	245,328
Proceeds from sale of capital assets	-	-	4,941
Acquisitions of capital assets	(9,896)	-	(492,209)
Net Cash Provided (Used) by Capital and Related Financing Activities	(14,013)	-	(324,309)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt of interest	568,442	70,506	17,533
Proceeds from sale of investment securities	5,240,820	-	134,714
Purchases of investment securities	(5,630,653)	-	(32,618)
Net Cash Provided (Used) by Investing Activities	178,609	70,506	119,629
Net Increase (Decrease) in Cash and Pooled Investments	21,739	189,245	318,188
Cash and Pooled Investments, July 1, as restated	43,400	2,651,456	737,758
Cash and Pooled Investments, June 30	$ 65,139	$ 2,840,701	$ 1,055,946
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	$ (1,174,405)	$ 174,345	$ 9,017
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:			
Depreciation	8,428	-	127,404
Revenue reduced for uncollectible accounts	24,859	-	647
Change in Assets: Decrease (Increase)			
Receivables	4,496	(74,920)	392,910
Inventories	35	-	(6,932)
Prepaid expenses	(3)	-	(549)
Change in Liabilities: Increase (Decrease)			
Payables	984,799	19,375	(32,088)
Net Cash or Cash Equivalents Provided by (Used in) Operating Activities	$ (151,791)	$ 118,800	$ 490,409

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

Continued

Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Total	Governmental Activities: Internal Service Funds
$ 171,774	$ 665,218	$ 6,309,099	$ 2,109,634
(116,293)	(529,308)	(5,632,420)	(1,576,751)
(2,631)	(62,112)	(1,116,458)	(361,449)
-	3,238	1,027,083	121,908
52,850	77,036	587,304	293,342
-	13,164	133,533	70,424
-	(153,336)	(247,799)	(56,191)
-	338	15,673	504
-	22,514	22,605	21
-	(117,320)	(75,988)	14,758
-	(283)	(54,163)	(26,275)
-	(658)	(33,264)	(44,821)
-	-	245,328	35,483
-	19	4,960	14,658
-	(1,336)	(503,441)	(96,907)
-	(2,258)	(340,580)	(117,862)
44,101	66	700,648	4,293
782,433	79,335	6,237,302	159,476
(878,831)	(39,867)	(6,581,969)	(362,400)
(52,297)	39,534	355,981	(198,631)
553	(3,008)	526,717	(8,393)
551	114,239	3,547,404	826,427
$ 1,104	$ 111,231	$ 4,074,121	$ 818,034
$ 278,963	$ 119,942	$ (592,138)	$ 249,194
4	1,466	137,302	80,950
-	74	25,580	455
(1,997)	(4,103)	316,386	77,434
-	409	(6,488)	(1,226)
-	182	(370)	247
(224,120)	(40,934)	707,032	(113,712)
$ 52,850	$ 77,036	$ 587,304	$ 293,342

Statement of Cash Flows
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013
(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	$ 175	$ -	$ -
Acquisition of capital assets through Certificates of Participation/capital leases	-	-	36,419
Amortization of annuity prize liability	-	-	-
Increase (decrease) in fair value of investments	(327,470)	-	144
Debt refunding deposited with escrow agent	-	-	87,195
Amortization of debt premium/discount	-	-	13,476
Increase in ownership of joint venture	-	-	6,831

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

Concluded

Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Total	Governmental Activities: Internal Service Funds
$ -	$ -	$ 175	$ 2,398
-	10	36,429	14,216
-	10,743	10,743	-
146,865	3,613	(176,848)	(2,797)
-	-	87,195	-
-	-	13,476	-
-	-	6,831	-

Statement of Net Position
FIDUCIARY FUNDS
June 30, 2013
(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	$ 4,839	$ 3,017,843	$ 40,891	$ 88,344
Investments	-	5,464,589	-	-
Receivables, pension and other employee benefit plans:				
Employers	-	-	137,172	-
Members (net of allowance)	-	-	2,624	-
Interest and dividends	-	-	199,782	-
Investment trades pending	-	-	1,661,905	-
Due from other pension and other employee benefit funds	-	-	1,652	-
Other receivables, all other funds	-	691	-	7,991
Due from other funds	-	-	-	22
Due from other governments	-	-	-	19,533
Total Current Assets	4,839	8,483,123	2,044,026	115,890
Noncurrent Assets:				
Investments, noncurrent, pension and other employee benefit plans:				
Public equity	-	-	32,403,661	-
Fixed income	-	-	14,105,540	-
Private equity	-	-	16,064,517	-
Real estate	-	-	9,380,236	-
Security lending	-	-	1,196,761	-
Liquidity	-	-	1,581,812	-
Tangible assets	-	-	1,031,887	-
Investments, noncurrent, all other funds	-	478,132	-	156
Other noncurrent assets	-	-	-	55,479
Capital assets:				
Furnishings, equipment, and intangibles	33	-	-	-
Accumulated depreciation	(29)	-	-	-
Total Noncurrent Assets	4	478,132	75,764,414	55,635
Total Assets	4,843	8,961,255	77,808,440	$ 171,525
LIABILITIES				
Accounts payable	111	-	-	$ 8,140
Contracts and retainages payable	-	-	-	27,686
Accrued liabilities	166	204,097	1,736,344	54,921
Obligations under security lending agreements	-	-	1,199,842	5,871
Due to other funds	-	-	-	11
Due to other pension and other employee benefit funds	-	-	1,652	-
Due to other governments	-	23,002	-	19,417
Unearned revenue	-	-	726	-
Other long-term liabilities	-	-	-	55,479
Total Liabilities	277	227,099	2,938,564	$ 171,525
NET POSITION				
Net position held in trust for:				
Pension benefits	-	-	71,668,018	
Deferred compensation participants	-	-	3,201,858	
Local government pool participants	-	8,734,156	-	
Individuals, organizations, and other governments	4,566	-	-	
Total Net Position	$ 4,566	$ 8,734,156	$ 74,869,876	

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

Statement of Changes in Net Position
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

	Private-Purpose Trust	Local Government Investment Pool	Pension and Other Employee Benefit Plans
ADDITIONS			
Contributions:			
Employers	$ -	$ -	$ 1,197,445
Members	-	-	1,031,974
State	-	-	60,204
Participants	-	14,032,653	182,305
Total Contributions	-	14,032,653	2,471,928
Investment Income:			
Net appreciation (depreciation) in fair value	-	-	6,574,645
Interest and dividends	-	16,329	1,850,861
Less: Investment expenses	-	-	(258,468)
Net Investment Income (Loss)	-	16,329	8,167,038
Other Additions:			
Unclaimed property	72,472	-	-
Transfers from other pension plans	-	-	5,625
Other contracts, grants and miscellaneous	21	-	528
Total Other Additions	72,493	-	6,153
Total Additions	72,493	14,048,982	10,645,119
DEDUCTIONS			
Pension benefits	-	-	3,259,510
Pension refunds	-	-	368,806
Transfers to other pension plans	-	-	5,625
Administrative expenses	3,577	904	4,449
Distributions to participants	-	13,310,671	178,638
Payments to or on behalf of individuals, organizations and other governments in accordance with state unclaimed property laws	70,177	-	-
Total Deductions	73,754	13,311,575	3,817,028
Net Increase (Decrease)	(1,261)	737,407	6,828,091
Net Position - Beginning, as restated	5,827	7,996,749	68,041,785
Net Position - Ending	$ 4,566	$ 8,734,156	$ 74,869,876

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

Statement of Net Position
COMPONENT UNITS
June 30, 2013
(expressed in thousands)

	Public Stadium	Health Benefit Exchange	Nonmajor Component Units	Total
ASSETS				
Current Assets:				
Cash and pooled investments	$ 7,003	$ 41	$ 27,323	$ 34,367
Investments	-	-	41,646	41,646
Investments, restricted	3,770	-	-	3,770
Other receivables (net of allowance)	1,197	6,830	7,484	15,511
Prepaid expenses	22	40	117	179
Total Current Assets	11,992	6,911	76,570	95,473
Noncurrent Assets:				
Restricted investments, noncurrent	10,963	-	-	10,963
Other noncurrent assets	-	986	105,673	106,659
Capital assets:				
Land	34,677	-	-	34,677
Buildings	460,636	-	-	460,636
Furnishings, equipment and intangible assets	19,436	11,133	1,608	32,177
Accumulated depreciation	(187,928)	(1,485)	(1,579)	(190,992)
Construction in progress	-	411	-	411
Total Noncurrent Assets	337,784	11,045	105,702	454,531
Total Assets	$ 349,776	$ 17,956	$ 182,272	$ 550,004
LIABILITIES				
Current Liabilities:				
Accounts payable	$ 68	$ 4,851	$ 40,057	$ 44,976
Contracts and retainages payable	4,364	-	-	4,364
Accrued liabilities	3,497	2,060	55	5,612
Unearned revenue	-	-	17,458	17,458
Total Current Liabilities	7,929	6,911	57,570	72,410
Noncurrent Liabilities:				
Other long-term liabilities	12,220	986	-	13,206
Total Noncurrent Liabilities	12,220	986	-	13,206
Total Liabilities	20,149	7,897	57,570	85,616
NET POSITION				
Net investment in capital assets	310,281	10,059	29	320,369
Restricted for deferred sales tax	12,346	-	-	12,346
Restricted for other purposes	-	-	1,083	1,083
Unrestricted	7,000	-	123,590	130,590
Total Net Position	329,627	10,059	124,702	464,388
Total Liabilities and Net Position	$ 349,776	$ 17,956	$ 182,272	$ 550,004

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

Statement of Revenues, Expenses, and Changes in Net Position
COMPONENT UNITS
For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

	Public Stadium	Health Benefit Exchange	Nonmajor Component Units	Total
OPERATING REVENUES				
Charges for services	$ 1,067	$ -	$ 31,831	$ 32,898
Total Operating Revenues	1,067	-	31,831	32,898
OPERATING EXPENSES				
Salaries and wages	403	1,256	4,277	5,936
Employee benefits	120	389	1,445	1,954
Personal services	194	7,945	1,465	9,604
Goods and services	304	239	2,288	2,831
Travel	2	-	20	22
Depreciation and amortization	15,231	1,485	45	16,761
Miscellaneous expenses	-	180	2,030	2,210
Total Operating Expenses	16,254	11,494	11,570	39,318
Operating Income (Loss)	(15,187)	(11,494)	20,261	(6,420)
NONOPERATING REVENUES (EXPENSES)				
Earnings (loss) on investments	304	-	82	386
Operating grants and contributions	-	18,116	8,249	26,365
Distributions of operating grants	-	-	(7,602)	(7,602)
Naming rights	2,130	-	-	2,130
Other	(15)	628	-	613
Total Nonoperating Revenues (Expenses)	2,419	18,744	729	21,892
Income (Loss) before Contributions	(12,768)	7,250	20,990	15,472
Capital grants and contributions	(328)	2,809	-	2,481
Total Contributions	(328)	2,809	-	2,481
Change in Net Position	(13,096)	10,059	20,990	17,953
Net Position - Beginning, as restated	342,723	-	103,712	446,435
Net Position - Ending	$ 329,627	$ 10,059	$ 124,702	$ 464,388

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, 2013

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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. 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) and organizations for which the state is financially accountable. Additionally, other organizations that do not meet the financial accountability criteria may be included in the reporting entity if the nature and significance of their relationship with the state are such that exclusion would cause the state's financial statements to be misleading.

Financial accountability exists when the primary government appoints a voting majority of an organization's governing body and is either (1) able to impose its will on that organization or (2) 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 is also financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) 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. The organization has a financial benefit or burden relationship with the primary government if, for example, any one of these conditions exists: (1) the primary government is legally entitled to or can access the organization's resources; (2) the primary government is legally obligated or has otherwise assumed the obligation to finance or provide financial support to the organization; (3) the primary government is obligated in some manner for the debt of the organization.

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, 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 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. The governing board of each college and university appoints a president to function as chief administrator. The Legislature approves budgets and budget amendments for the appropriated funds of each college and university, 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 and universities 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. All other revenue bonds issued by colleges and universities 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 and university assets reside with the state.

Colleges and universities 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 and universities are legally part of the state, their financial operations, including their blended component units, are reported in the state's 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 three 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 Higher Education Retirement Plan Supplemental Defined Benefit Plans are administered by the state's colleges and universities.

The 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 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 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.A 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, FYI Properties, the University of Washington (UW) Physicians, UW Medicine Neighborhood Clinics, 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 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 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 $327 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 required 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
CenturyLink Field & Event Center
800 Occidental Avenue South, #700
Seattle, WA 98134

The Washington Health Benefit Exchange (Exchange) was created by the Legislature to implement a central marketplace for individuals, families, and small employers to shop for health insurance and access federal tax credits pursuant to the Patient Protection and Affordable Care Act of 2010. Federal grant funding is financing the Exchange design, development, and implementation phases as well as the first full year of operation during 2014. Beginning in 2015 the Exchange must be self-sustaining through state funding appropriations, premium tax assessments, and administrative fees.

Financial reports of the Exchange may be obtained at the following address:

Washington Health Benefit Exchange
810 Jefferson Street SE
Olympia, WA 98501

The state's component units each have a year-end of June 30 with the exception of the Washington Economic Development Finance Authority and the Washington Health Benefit Exchange which have 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 $6.8 million was recorded in fiscal year 2013, bringing the total equity investment to $89.1 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 Position 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 Position. The Statement of Net Position presents the state's non-fiduciary assets, deferred

outflows of resources, liabilities, deferred inflows of resources and net position. As a general rule, balances between governmental and business-type activities are eliminated.

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 630 accounts that are combined into 52 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.

- **Guaranteed Education Tuition Program Fund** accounts for Washington's Guaranteed Education Tuition (GET) Program. GET is a qualified tuition program under Section 529 of the Internal Revenue Code.

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; vocational/education programs at correctional institutions, and other activities.

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 pension plans, 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 and deferred outflows of resources and deferred inflows of resources 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 unavailable 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 is recognized when due, and certain liabilities including 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 both unavailable and unearned revenues on its governmental fund balance sheet. Unavailable revenues arise when a potential revenue does not meet both the "measurable" and the "available" criteria for revenue recognition in the current period. Unearned revenues 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 and deferred outflows of resources and deferred inflows of resources associated with the operations of these funds are included on their respective statements of net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Net position for trust funds is 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, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

1. Cash and Investments

Investments of surplus or pooled cash balances are reported on the accompanying Statements of Net Position, 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 which approximates fair value. 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, 2013, these alternative investments are valued at $26.48 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 Position, 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.

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 $6.3 million in federally donated consumable inventories, which are offset by unearned revenue because they are not earned until they are distributed to clients.

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

Certain cash, investments, and other assets are classified as restricted assets on the Statement of Net Position and Balance Sheet because their use is limited by bond covenants, escrow arrangements, or other regulations.

5. Capital Assets

Capital assets are tangible and intangible assets held and used in state operations, which have a service life of more than one year and meet the state's capitalization policy.

It is the state's policy to capitalize:

- All land, including land use rights with indefinite lives acquired with the purchase of the underlying land, and ancillary costs;
- The state highway system operated by the Department of Transportation;
- Infrastructure, other than the state highway system, with a cost of $100,000 or more;
- Buildings, building improvements, improvements other than buildings, and leasehold improvements with a cost of $100,000 or more;
- Intangible assets, either purchased or internally developed, with a cost of $1.0 million 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;
    - The asset arises from contractual or other legal rights, regardless of whether those rights are transferable or separable;
- All capital assets acquired with Certificates of Participation, a debt financing program administered by the Office of the State Treasurer; and

All other capital assets with a unit cost (including ancillary costs) of $5,000 or greater, or collections with a total cost of $5,000 or greater except for assets held by the University of Washington (UW). The capitalization threshold for all other capital assets held by the UW is $2,000.

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. In fiscal year 2013, $21.8 million net interest costs were capitalized.

State agencies are not required 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 Position. 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. Deferred Outflows/Inflows of Resources

In addition to assets, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of fund equity that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The state only has one item that qualifies for reporting in this category. It is the deferred outflow of resources on refunding reported in the government-wide and proprietary fund statements of net position. A deferred outflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund equity that applies to a future period(s) and so will not be

recognized as an inflow of resources (revenue) until that time. The state is reporting as a deferred inflow unavailable revenue, which arises only under the modified accrual basis of accounting, and so is reported only on the governmental funds balance sheet. Governmental funds report unavailable revenues primarily from two sources: taxes and long-term receivables. These amounts are recognized as inflows of resources in the periods that the amounts become available.

7. 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 Position.

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.

8. 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 Position. 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.

9. Fund Equity

In governmental fund type accounts, fund equity is called "fund balance." Fund balance is reported in classifications which reflect the extent to which the state is bound to honor constraints on the purposes for which the amounts can be spent. Classifications include:

- **Nonspendable** fund balance represents amounts that are either not in a spendable form or are legally or contractually required to remain intact.

- **Restricted** fund balance represents amounts for which constraints are placed on their use by the constitution, enabling legislation, or external resource providers such as creditors, grantors, or laws or regulations of other governments.

- **Committe**d fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the state Legislature through a statute or appropriation.

- **Assigned** fund balance represents amounts that are intended for a specific purpose by management, but are neither restricted nor committed. Generally assignment is expressed by joint legislative and executive staff action.
- **Unassigned** fund balance represents the residual amount for the General Fund that is not contained in the other classifications. Additionally, any deficit fund balance within the other governmental fund types is reported as 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.

For government-wide reporting as well as in proprietary funds, fund equity is called net position. Net position is comprised of three components: net investment in capital assets; restricted; and unrestricted.

- **Net investment in capital assets** 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. Deferred outflows of

resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

- **Restricted** net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

- **Unrestricted** net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the state's policy to use restricted resources first and then use unrestricted resources as they are needed.

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 for the Supplemental Pension Fund premiums which 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 ten 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 an internal service fund, the Employee Insurance 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 64 percent of the eligible subscribers in fiscal year 2013. 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 $393.7 million. This amount is reported as restricted for expendable endowment funds on the government-wide Statement of Net Position.

Note 2
Accounting, Reporting, and Entity Changes

Reporting Changes. Effective for fiscal year 2013 reporting, the state adopted the following new standards issued by the Governmental Accounting Standards Board (GASB):

Statement No. 60 *Accounting and Financial Reporting for Service Concession Arrangements*. GASB Statement No. 60 addresses service concession arrangements (SCAs), which are a type of public-private or public-public partnership.

Statement No. 61 *The Financial Reporting Omnibus – an amendment of GASB Statements No. 14 and No. 34*. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity.

Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB Statement No. 62 incorporates into the GASB's authoritative literature accounting and financial reporting guidance issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 introduces and defines deferred outflows and deferred inflows of resources as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively.

Statement No. 65 *Items Previously Reported as Assets and Liabilities*. GASB Statement No. 65 reclassifies certain items that were previously reported as assets and liabilities and recognizes these items as outflows of resources or inflows of resources.

Fund Reclassification. During fiscal year 2013, it was determined that one activity reported in the Pension and Other Employee Benefit Plans Fund did not meet the definition of a pension plan and would be more appropriately reported as governmental activity in the General Fund. Accordingly, beginning fund balances were restated by a reduction of $2.9 million in Pension and Other Employee Benefit Plans and an increase of $2.9 million in the Administrative Account in the General Fund.

Due to the passage of Initiative 1183, the distribution and retail sale of spirits was transferred to the private sector on June 1, 2012. As a result, the remaining activities of the Liquor Revolving Fund include promoting public safety by enforcing laws and regulating alcohol and tobacco sales. Since these activities are not supported by charges for goods or services, the Liquor Revolving Fund was reclassified from the Nonmajor Enterprise Fund and reported in the Nonmajor Governmental Fund. Accordingly, fiscal year 2013 beginning fund balances were restated by a reduction of $50.9 million in Nonmajor Enterprise and an increase of $47.2 million in Nonmajor Governmental. The remaining amounts of $24.5 million and $20.7 million relate to governmental capital assets and long-term obligations, respectively, to effect proper fund classification of the activities.

Fund equity at July 1, 2012, has been restated as follows (expressed in thousands):

	Fund equity (deficit) at June 30, 2012, as previously reported	Fund Reclassification	Fund equity (deficit) as restated, July 1, 2012
Governmental Funds:			
General	$ 1,004,623	$ 2,939	$ 1,007,562
Higher Education Special Revenue	2,015,242	-	2,015,242
Higher Education Endowment	3,096,400	-	3,096,400
Nonmajor Governmental	5,518,784	47,158	5,565,942
Proprietary Funds:			
Enterprise Funds:			
Workers' Compensation	(8,698,917)	-	(8,698,917)
Unemployment Compensation	3,224,951	-	3,224,951
Higher Education Student Services	1,366,722	-	1,366,722
Guaranteed Education Tuition Program	(631,550)	-	(631,550)
Nonmajor Enterprise *	162,036	(50,899)	111,137
Internal Service Funds	28,658	-	28,658
Fiduciary Funds:			
Private Purpose Trust	5,827	-	5,827
Local Government Investment Pool	7,996,749	-	7,996,749
Pension and Other Employee Benefit Plans **	68,044,724	(2,939)	68,041,785
Component Units:			
Public Stadium	342,723	-	342,723
Nonmajor Component Units	103,712	-	103,712

* The Liquor Revolving Fund was reported in the Nonmajor Enterprise Fund in fiscal year 2012, but is reported in the Nonmajor Governmental Fund for fiscal year 2013.

** The Higher Education Retirement Plan Supplemental Benefit Account was reported in the Pension and Other Employee Benefit Plans Fund in fiscal year 2012, but is reported as an Administrative Account within the General Fund in fiscal year 2013.

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 require state agencies 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, 2013, $1.12 billion of the state's deposits with financial institutions were insured or collateralized, with the remaining $13.8 million uninsured/ uncollateralized.

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, in making investment decisions and seeking to meet 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.

In accordance with RCW 43.33A.110, the WSIB manages the pension fund portfolio to achieve maximum return at a prudent level of risk. 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, or other forms of private equity; 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 2013.

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 and one supplemental pension funding account. These plans hold shares in the CTF, which represent a percentage ownership in the pool of investments. Plans are allowed to purchase or sell shares in the CTF, based on the fair value of the underlying assets, on the first business day of each month.

In addition to share ownership in the CTF, each retirement plan holds short-term investments that are used to manage each plan's cash needs.

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; Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund; and the Higher Education Retirement Supplemental Benefit Account. 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 objective is to exceed the return of two custom benchmarks, each 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 is reviewed more frequently if 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.

When market values fall outside policy ranges, assets are rebalanced first by using normal cash flows and then through reallocations of assets across asset classes. In cases of a major rebalancing, the pension trust funds can utilize futures, forward contracts, and options in order to maintain exposure within each asset class and reduce transaction costs. Major rebalancing can occur to bring asset classes within their target ranges or when the pension trust funds are transitioning managers.

To achieve the performance and diversification objectives of the pension trust funds, the public markets equity program seeks to achieve the highest return possible from

active management consistent with prudent risk management and the desire for downside protection with passive management as the default; provide diversification to the pension trust funds overall investment program; maintain liquidity in public equity; and maintain transparency into all public equity strategies to the extent possible.

The public markets equity portion of the pension trust funds invests in publicly traded equities globally, including equity securities in the U.S., developed non-U.S., and emerging markets. The program has a global benchmark, currently the Morgan Stanley Capital International All Country World Investable Market Index. A mix of external managers approved by the WSIB is used to manage the program. Passive management delivers broad diversified equity market exposure at low cost and is used when active managers cannot be identified and monitored with existing resources. Passive management is also used when it is considered an appropriate alternative to active management, typically in more efficient markets. Active management is used when the pension trust funds can identify, access, and monitor successful managers in markets that are less efficient. Active management seeks to enhance the risk/return profile of the program.

The fixed income segment is managed to achieve the highest return possible consistent with the desire to control asset volatility, emphasize high yield to maturity opportunities to add value through active management, provide diversification to the overall investment program, and to meet or exceed the return of the Barclays Capital Universal Bond Index, with volatility similar to or less than the index.

RCW 43.33A.140 prohibits a corporate fixed income issue cost from exceeding 3 percent of the CTF's market value at the time of purchase, and 6 percent of its market value thereafter. However, the WSIB manages with a more restrictive concentration constraint, limiting exposure to any corporate issuer to 3 percent of the CTF fixed income portfolio's market value at all times.

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 market value of below investment grade credit bonds (as defined by Barclays Capital Global Family of Fixed Income Indices) shall not exceed 15 percent of the market value of the fixed income portfolio. Although below investment grade mortgage-backed, asset-backed, or 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. The total market value of below investment grade mortgage-backed, asset-backed, and commercial mortgage-backed securities shall not exceed 5 percent of the market value of the fixed income portfolio. 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 plus or minus 20 percent of the duration of the Barclays Capital Universal Index.

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, corporate finance, growth equity, special situations, distressed, mezzanine, and other investments. Private equity investments are made through limited partnership or direct investment vehicles.

The private equity investment portfolio is managed to meet or exceed the returns of the Russell 3000 by 300 basis points in the long term. 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 acquisitions, 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. Second, real estate capital is diversified among a host of partners with varying investment styles. Third, 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 the 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, 2013, the pension trust funds had unfunded commitments of $10.16 billion, $7.77 billion, $783.4 million, and $52.3 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 State Street Corporation to act as agent for the pension trust funds in securities lending transactions. As State Street Corporation is the custodian bank for the pension trust funds, it is counterparty to securities lending transactions.

The fair value of the securities on loan at June 30, 2013, was approximately $1.40 billion. The pension trust funds report securities on loan in their respective categories in the Statement of Net Position. At June 30, 2013, cash collateral received totaling $1.20 billion is reported as securities lending obligation, and the fair value of the reinvested cash collateral totaling $1.20 billion is reported as security lending collateral in the Statement of Net Position. Securities received as collateral for which the pension trust funds do not have the ability to pledge or sell unless the borrower defaults are not reported as assets and liabilities in the Statement of Net Position.

Fixed income securities were loaned during the fiscal year and collateralized by the pension trust funds' agent with cash, U.S. government or U.S. agency securities (exclusive of mortgage-backed securities and 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.

As of June 30, 2013, the pension trust funds held the following cash and securities as lending collateral (in thousands):

Cash and cash equivalents	$ 275,286
Commercial paper	217,356
Repurchase agreements	670,261
U.S. Treasury and agency securities	298,862
Miscellaneous	33,992
Total collateral held	$1,495,757

During fiscal year 2013, securities lending transactions could be terminated on demand by either the pension trust funds or the borrower. As of June 30, 2013, the collateral held had an average duration of 22.42 days and an average weighted final maturity of 57.44 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. No more than 20 percent of the total on loan value could be held by a specific borrower. 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. State Street Corporation indemnified the pension trust funds 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. State Street Corporation'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 2013, 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 2013 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. The risk is managed within the portfolios using effective duration, which is the measure of a debt investment's exposure to fair value changes arising from changes in interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those investments.

While the pension trust funds do not have a formal policy relating to 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 target within plus or minus 20 percent of the duration of the portfolio's performance benchmark. As of June 30, 2013, the duration of the pension trust funds' fixed income investments 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, 2013. 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 recorded in non U.S. dollars (Non USD) but have been converted to U.S. dollars for reporting purposes.

Pension Trust Funds
Schedule of Maturities and Credit Quality
June 30, 2013
(expressed in thousands)

		Maturity				
Investment Type	**Fair Value**	**Less than 1 Year**	**1-5 Years**	**6-10 Years**	**More than 10 Years**	**Credit Rating**
Asset-backed securities	$ 11	$ -	$ -	$ -	$ 11	Multiple
Residential mortgage-backed securities	1,121,501	382,311	739,132	58	-	Multiple
Commercial mortgage-backed securities	213,136	-	203,617	9,519	-	Aaa
Corporate bonds - domestic (USD)	861,611	65,980	285,681	365,864	144,086	Multiple
Corporate bonds - domestic (Non USD)	54,629	36,341	18,288	-	-	Multiple
Corporate bonds - foreign (USD)	3,928,374	50,399	731,493	2,647,272	499,210	Multiple
Corporate bonds - foreign (Non USD)	270,496	-	186,658	53,409	30,429	Multiple
U.S. government treasuries	5,001,554	861,218	3,086,878	1,053,458	-	Aaa
Foreign government and agencies (USD)	1,247,989	27,128	159,094	867,914	193,853	Multiple
Foreign government and agencies (Non USD	888,202	40,147	319,179	283,297	245,579	Multiple
Supranational securities (Non USD)	519,629	137,683	287,107	94,839	-	Aaa
Total investments categorized	14,107,132	$ 1,601,207	$ 6,017,127	$ 5,375,630	$ 1,113,168	
Investments not required to be categorized						
Corporate stock (USD)	3,461,808					
Corporate stock (Non USD)	10,792,860					
Commingled equity index funds	11,408,159					
Alternative investments	26,479,630					
Liquidity	1,579,719					
Total investments not categorized	53,722,176					
Total Investments	$ 67,829,308					

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, 2013
(expressed in thousands)

	Investment Type								
Moody's Equivalent Credit Rating	**Asset-Backed Securities**	**Residential 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	$ -	$ 1,106,243	$ -	$ -	$ -	$ -	$ 8,883	$ 172,785	$ 1,287,911
Aa1	11	-	-	-	-	-	17,964	63,322	81,297
Aa2	-	-	16,833	-	27,860	-	28,000	-	72,693
Aa3	-	-	38,047	-	35,324	-	169,265	60,397	303,033
A1	-	1,855	19,392	-	75,686	10,538	246,563	40,146	394,180
A2	-	1,713	184,773	18,288	110,549	57,739	22,929	16,282	412,273
A3	-	-	52,881	-	257,644	-	25,195	96,051	431,771
Baa1	-	-	240,424	36,341	422,302	18,198	86,574	74,822	878,661
Baa2	-	11,690	152,218	-	1,058,678	84,984	259,732	80,193	1,647,495
Baa3	-	-	53,380	-	1,077,594	81,813	239,017	235,280	1,687,084
Ba1 or lower	-	-	103,663	-	862,737	17,224	143,867	48,924	1,176,415
Total	$ 11	$ 1,121,501	$ 861,611	$ 54,629	$ 3,928,374	$ 270,496	$ 1,247,989	$ 888,202	$ 8,372,813

5. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The pension trust funds' investment policies limit the fixed income securities to investment grade or higher at the time of purchase. Investment grade securities are those fixed income securities with a Moody's rating of Aaa to Baa or a Standard and Poor's rating of AAA to BBB. The rated debt investments of the pension trust funds as of June 30, 2013, 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 policy of the pension trust funds states no corporate fixed income issue cost 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, 2013.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event a depository institution or counterparty fails, the pension trust funds would not be able to recover the value of their deposits, investments, or collateral securities that are in the possession of an outside party. The pension trust funds do not have a policy relating to custodial credit risk. The WSIB mitigates custodial credit risk by having its investment securities (excluding cash and cash equivalents and repurchase agreements held as securities lending collateral) registered and held in the name of the WSIB for the benefit of the pension trust funds.

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 pension trust funds do not have a formal policy to limit foreign currency risk. The pension trust funds 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 following schedule 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 reporting currency of the individual funds. This 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 Exposure by Country
June 30, 2013
(expressed in thousands)

Foreign Currency Denomination	Investment Type: Currency	Fixed Income	Common Stock	Private Equity	Real Estate	Total
Australia-Dollar	$ 4,464	$ 408,094	$ 565,325	$ -	$ -	$ 977,883
Brazil-Real	195	340,301	78,776	-	-	419,272
Canada-Dollar	12,409	-	725,351	-	-	737,760
Chile-Peso	-	155,555	421	-	-	155,976
Columbia-Peso	-	135,553	-	-	-	135,553
Denmark-Krone	50	-	86,011	-	-	86,061
E.M.U.-Euro	14,314	-	2,660,647	2,349,429	201,710	5,226,100
Hong Kong-Dollar	3,391	-	405,601	-	-	408,992
India-Rupee	384	135,355	100,154	-	-	235,893
Indonesia-Rupiah	118	63,812	72,289	-	-	136,219
Japan-Yen	28,318	-	1,995,729	-	-	2,024,047
Malaysia-Ringgit	345	67,808	18,253	-	-	86,406
Mexico-Peso	(25)	85,066	42,971	-	-	128,012
Singapore-Dollar	853	-	159,026	-	-	159,879
South Korea-Won	531	-	123,101	-	-	123,632
Sweden-Krona	4,474	-	280,693	-	-	285,167
Switzerland-Franc	133	-	855,134	-	-	855,267
Thailand-Baht	80	48,427	60,265	-	-	108,772
Turkey-Lira	227	93,795	78,912	-	-	172,934
United Kingdom-Pound	20,902	-	2,222,583	-	-	2,243,485
Other-Miscellaneous	5,195	199,190	261,618	-	-	466,003
Total	$ 96,358	$ 1,732,956	$ 10,792,860	$ 2,349,429	$ 201,710	$ 15,173,313

7. Derivatives

Pension trust funds are authorized to utilize various derivative financial instruments, including 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 cash overlay program, at June 30, 2013, the pension trust funds held investments in financial futures and forward currency contracts that are recorded at fair value with changes in value recognized in investment income in the Statement of Changes in Net Position in the period of change. The derivative instruments are considered investments and not hedges.

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. 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, 2013, the pension trust funds counterparty risk was not deemed to be significant.

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 or to 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 counterparty 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, 2013, the pension trust funds had outstanding forward currency contracts with a net unrealized gain of $9.2 million which is included in the Statement of Changes in Net Position. The contracts have varying maturity dates ranging from July 1, 2013, to September 18, 2013.

At June 30, 2013, the pension trust funds' fixed income portfolio held derivative securities consisting of collateralized mortgage obligations with a fair value of $312.0 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 following schedule presents the significant terms for derivatives held as investments by the pension trust funds:

Pension Trust Funds
Derivative Investments
June 30, 2013
(expressed in thousands)

	Changes in Fair Value - Included in Investment Income (Loss) Amount	Fair Value - Investment Derivative Amount	Notional
Futures Contracts:			
Bond index futures	$ (19,140)	$ (8,137)	$ 565,700
Equity index futures	7,755	(689)	7,297
Total	$ (11,385)	$ (8,826)	$ 572,997
Forward Currency Contracts:			
Australia-Dollar	$ 3,286	$ 5,374	$ 87,700
Canada-Dollar	(2,556)	(2,746)	103,134
Denmark-Krone	(340)	(1,712)	141,820
E.M.U.-Euro	(4,967)	5,554	377,771
Hong Kong-Dollar	(38)	105	195,827
Israel-Shekel	(311)	17	2,674
Japan-Yen	6,978	3,241	148,777
Mexico-Peso	(61)	(72)	3,013
New Zealand-Dollar	(4,014)	(1,997)	87,298
Norway-Krone	287	340	8,473
Singapore-Dollar	(280)	(338)	21,581
South Africa-Rand	(101)	(124)	4,335
Sweden-Krona	336	753	45,162
Switzerland-Franc	549	493	42,005
United Kingdom-Pound	(1,144)	361	46,013
Total	$ (2,376)	$ 9,249	$ 1,315,583

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 and its staff must comply with other state laws, such as the Ethics in Public Service Act, chapter 42.52 RCW, in making investment decisions and seeking to meet investment objectives.

The Workers' Compensation Fund consists of contributions from employers and their employees participating in the state workers' compensation program and related earnings on those contributions. The workers' compensation program provides medical, time-loss, and disability benefit payments to qualifying individuals sustaining work-related injuries.

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 chapter 43.33A RCW. 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 the Workers' Compensation Fund 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.
- 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.
- 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.
- 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 benchmark and structure for U.S. equities will be the broad U.S. stock market as defined by the Morgan Stanley Capital International (MSCI) U.S. Investable Market Index passive mandate. The benchmark and structure for international equities will be the MSCI 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 position.
- TIPS will be managed to plus or minus 20 percent of the duration of the Barclays Capital U.S. TIPS Index.
- 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 WSIB policy permit the Workers' Compensation Fund to participate in securities lending programs to augment investment income. The WSIB has entered into an agreement with State Street Corporation to act as agent for the Workers' Compensation Fund in securities lending transactions. As State Street Corporation is the custodian bank for the Workers' Compensation Fund, it is counterparty to securities lending transactions.

The fair value of the securities on loan at June 30, 2013, was approximately $26.2 million. The Workers' Compensation Fund reports securities on loan in the Statement of Net Position in their respective categories. At June 30, 2013, cash collateral received totaling $26.4 million is reported as a securities lending obligation, and the fair value of the reinvested cash collateral totaling $26.4 million is reported as security lending collateral in the Statement of Net Position. Securities received as collateral for which the Workers' Compensation Fund does not have the ability to pledge or sell unless the borrower defaults are not reported as assets and liabilities in the Statement of Net Position.

During fiscal year 2013, fixed income securities were loaned and collateralized by the Workers' Compensation Fund's agent with cash and U.S. government or U.S. agency securities (exclusive of mortgage-backed securities and 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.

As of June 30, 2013, the Workers' Compensation Fund held the following cash and securities as lending collateral (in thousands):

Cash and cash equivalents	$ 6,068
Commercial paper	4,791
Repurchase agreements	14,773
Miscellaneous	749
Total collateral held	$26,381

Securities lending transactions could be terminated on demand by either the Workers' Compensation Fund or the borrower. As of June 30, 2013, the collateral held had an average duration of 22.42 days and an average weighted final maturity of 57.44 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. No more than 20 percent of the total on loan value can be held by a specific borrower. 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. State Street Corporation 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. State Street Corporation'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 2013, 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 2013 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.

While the Workers' Compensation Fund does not have a formal policy relating to interest rate risk, the risk is managed within the Workers' Compensation Fund portfolio using effective duration which is the measure of a debt investment's exposure to fair value changes arising from changes in interest rates. Increases in prevailing interest rates generally translate into decreases in fair values of those investments. As of June 30, 2013, the 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, 2013. 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
Schedule of Maturities and Credit Quality
June 30, 2013
(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	$ 1,571,705	$ 23,168	$ 1,133,536	$ 384,248	$ 30,753	Aaa
Commercial mortgage-backed securities	388,249	13,785	339,825	34,639	-	Multiple
Corporate bonds-domestic	2,915,263	59,546	569,409	972,528	1,313,780	Multiple
Corporate bonds-foreign (USD)	2,510,029	51,555	671,293	889,082	898,099	Multiple
Foreign government and agencies (USD)	1,042,639	1,006	431,110	332,664	277,859	Multiple
Supranational securities (USD)	161,055	-	161,055	-	-	Aaa
U.S. government treasuries	1,113,738	205,133	614,574	294,031	-	Aaa
U.S. treasury inflation protected securities	1,726,900	27,864	600,201	418,228	680,607	Aaa
Total investments categorized	11,429,578	$ 382,057	$ 4,521,003	$ 3,325,420	$ 3,201,098	
Investments not required to be categorized						
Commingled index funds-domestic	1,062,288					
Commingled index funds-foreign	668,182					
Money market funds	221,518					
Total investments not categorized	1,951,988					
Total	$ 13,381,566					

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, 2013
(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	$ 336,369	$ 5,580	$ 1,012	$ 139,846	$ 482,807
Aa2	-	32,539	-	51,791	84,330
Aa3	51,880	170,665	266,429	251,228	740,202
A1	-	145,241	176,194	205,971	527,406
A2	-	720,940	48,543	-	769,483
A3	-	374,226	302,844	-	677,070
Baa1	-	671,081	424,204	58,376	1,153,661
Baa2	-	619,912	594,511	123,235	1,337,658
Baa3	-	129,744	541,891	135,867	807,502
Ba1 or lower	-	45,335	154,401	76,325	276,061
Total	$ 388,249	$ 2,915,263	$ 2,510,029	$ 1,042,639	$ 6,856,180

4. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Workers' Compensation Fund investment policies limit the fixed income securities to investment grade or higher at the time of purchase. Investment grade securities are those fixed income securities with a Moody's rating of Aaa to Baa or a Standard and Poor's rating of AAA to BBB.

The rated debt investments of the Workers' Compensation Fund as of June 30, 2013, 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 that 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. There was no concentration of credit risk as of June 30, 2013.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event a depository institution or counterparty fails, the Workers' Compensation Fund would not be able to recover the value of its deposits, investments, or collateral securities. The Workers' Compensation Fund does not have a policy relating to custodial credit risk. The WSIB mitigates custodial credit risk by having its investment securities (excluding cash and cash equivalents and repurchase agreements held as securities lending collateral) registered and held in the name of the WSIB for the benefit of the Workers' Compensation Fund.

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, 2013, the only security held by the Workers' Compensation Fund with foreign currency exposure consists of $668.2 million invested in an international commingled equity index fund.

6. Derivatives

The Workers' Compensation Fund is authorized to utilize various derivative financial instruments including collateralized mortgage obligations, 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.

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, 2013, the only derivative securities held directly by the Workers' Compensation Fund were collateralized mortgage obligations of $1.57 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 policy.

The LGIP portfolio is invested in a manner generally consistent with 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.

Investments, other than bank deposits, are valued at amortized cost. The bank deposits are valued at historical cost. Both valuation methods approximate fair value. Security transactions are reported on a trade date basis in accordance with generally accepted accounting principles.

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.

Eligible Investments. Eligible investments are only those securities and deposits authorized by statute (chapters 39.58, 39.59, and 43.84.080 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 Washington State Investment Board regarding commercial paper (RCW 43.84.080(7)).
- Certificates of deposit or demand deposits 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 safety and liquidity of funds, the LGIP policy places the following restrictions on the investment portfolio:

- Investments are restricted to fixed rate securities that mature in 397 days or less, except securities utilized in repurchase agreements and U.S. agency floating or variable rate notes which may have a maximum maturity of 762 days, provided they have reset dates within one year and that on any reset date can reasonably be expected to have a fair value that approximates their amortized cost.
- 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 Citibank as 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. Cash collateral received from the lending of non coupon-bearing securities shall not be valued at less than 102 percent of market value, not to exceed par.

The cash is invested by the lending agent 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. One option available to the lending agent is to invest cash collateral with the LGIP. Maturities of investments made with cash collateral are generally matched to maturities of securities loaned.

During fiscal year 2013, the LGIP lent U.S. treasury securities in exchange for cash collateral. The cash collateral was reinvested in repurchase agreements. At fiscal year end, there were no securities on loan.

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 2013, 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 and no losses resulting from a default of a borrower or lending agent during the year.

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 invested in a manner generally 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 and LGIP policy restrictions are directed towards limiting interest rate risk in order to maintain a stable net asset value. As of June 30, 2013, the LGIP had a weighted average maturity of 58 days and a weighted average life of 98 days.

The following schedule presents the LGIP investments, deposits, and related maturities, by type, and provides information about the associated interest rate risks as of June 30, 2013:

Local Government Investment Pool (LGIP)
June 30, 2013
(expressed in thousands)

		Maturity	
Investment Type	**Fair Value**	**Less than 1 Year**	**1-5 Years**
U.S. agency obligations	$ 6,513,556	$ 6,035,424	$ 478,132
U.S. government obligations	1,399,598	1,399,598	-
Repurchase agreements	1,797,874	1,797,874	-
Interest bearing bank accounts	879,635	879,635	-
Certificates of deposit and other	42,738	42,738	-
Total	$ 10,633,401	$ 10,155,269	$ 478,132

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 fair 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. The LGIP mitigates concentration of credit risk by limiting the purchase of securities of any one issuer, with the exception of U.S. treasury and U.S. agency securities, to no more than 5 percent of the portfolio.

Repurchase agreements comprise 16.9 percent of the total portfolio as of June 30, 2013. The LGIP limits the securities utilized in repurchase agreements to U.S. treasury and U.S. agency securities. The LGIP requires delivery of all securities utilized in repurchase agreements and the securities are priced daily.

As of June 30, 2013, U.S. treasury securities comprised 13.2 percent of the total portfolio. U.S. agency securities comprised 61.2 percent of the total portfolio, including Federal Home Loan Bank (31.9 percent), Federal Home Loan Mortgage Corporation (15.1 percent), Federal Farm Credit Bank (7.5 percent), and Federal National Mortgage Association (6.7 percent).

5. Foreign Currency Risk - None.

6. Derivatives - None.

7. Repurchase and Reverse Repurchase Agreements

State law 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 fiscal year 2013, 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, 2013, there were no obligations under reverse repurchase agreements.

The fair 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 fair 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, 2013, repurchase agreements totaled $1.80 billion.

E. INVESTMENTS – HIGHER EDUCATION SPECIAL REVENUE, ENDOWMENT, AND STUDENT SERVICES FUNDS

1. Summary of Investment Policies

The investments of the University of Washington represent 71 percent of the total investments in Higher Education Special Revenue, Endowment, and Student Services 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, 2013, the Invested Funds Pool totaled $1.56 billion. The fund also owns units in the Consolidated Endowment Fund valued at $468.2 million on June 30, 2013.

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 2013. Endowment operating and gift accounts received 3 percent in fiscal year 2013 with the distributions directed to University Advancement. 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 and the Uniform Prudent Management of Institutional Funds Act allow for the spending of appreciation in the CEF under comprehensive prudent standards.

Under the CEF spending policy approved by the Board of Regents, quarterly distributions to programs are based on an annual percentage rate of 4 percent applied to the five-year rolling average of the CEF's market valuation. Additionally, the policy allows for an administrative fee of 1 percent supporting campus-wide fundraising and stewardship activities and offsetting the internal cost of managing endowment assets.

The University records its permanent endowments at the lower of original gift value or current market value in the Restricted Nonexpendable Net Position category. For those endowments where the original gift value exceeded market value as of June 30, 2013, there was a net deficiency of $18.3 million from the original gift value.

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 $49.6 million at June 30,

2013. Income received from these trusts, which is included in investment income, was $2.2 million for the year ended June 30, 2013.

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 $72.8 million in 2013 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, 2013, was $264.1 million.

The following schedule presents the fair value of the University's investments by type at June 30, 2013:

University of Washington
June 30, 2013
(expressed in thousands)

Investment Type	Fair Value
Cash equivalents	$ 256,781
Fixed income	1,655,711
Equity	1,287,084
Non-marketable alternatives	362,632
Absolute return	404,416
Real assets	165,792
Miscellaneous	5,917
Total	$ 4,138,333

2. Funding Commitments

The University enters into contracts with investment managers to fund alternative investments. As of June 30, 2013, the University had outstanding commitments to fund alternative investments in the amount of $191.7 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, 2013, the University had no securities on loan.

4. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income securities. 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.

Effective duration is a commonly used measure of interest rate risk. The longer the duration, the more sensitive the portfolio is to changes in interest rates. The weighted average effective duration of the University's fixed income portfolio was 2.95 years at June 30, 2013.

5. Credit Risk

Fixed income securities are subject to credit risk, which 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 include guidelines for fixed income investments. In the case of the University's Invested Funds, the Cash Pool must maintain an average credit rating of "AA" as issued by a nationally recognized rating organization, while the Liquidity Pool must maintain an average credit rating of "A." Additionally, the Liquidity Pool must have at least 25 percent of its funds invested in obligations of the U.S. government and its agencies.

The CEF investments policy for fixed income specifies bonds and other high quality investment vehicles that support current spending needs and stability to protect capital in down markets. 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 credits.

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 investments in the CEF and the Invested Funds Pool are held in the name of the University 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 composition of the fixed income securities at June 30, 2013, along with credit quality and effective duration measures is summarized below. The schedule excludes $53.5 million of fixed income securities held outside the CEF and the Invested Funds Pool, which makes up 2.80 percent of the University's investments.

University of Washington
Invested Funds Pool and Consolidated Endowment Fund
Fixed Income Credit Quality and Effective Duration
June 30, 2013
(expressed in thousands, duration in years)

Investments	U.S. Government	Investment Grade	Non-Invest-ment Grade	Not Rated	Total	Duration (in years)
U.S. treasuries	$ 730,492	$ -	$ -	$ -	$ 730,492	2.42
U.S. government agency	661,159	-	-	-	661,159	3.41
Mortgage-backed	-	98,779	94,196	9,067	202,042	4.33
Asset-backed	-	164,394	9,743	3,908	178,045	2.44
Corporate and other	-	86,585	-	628	87,213	2.51
Total	$ 1,391,651	$ 349,758	$ 103,939	$ 13,603	$ 1,858,951	2.95

6. Foreign Currency Risk

Foreign currency risk is the risk that investments denominated in foreign currencies may lose value due to adverse fluctuations in the value of the U.S. dollar relative to foreign currencies. The University's investment policies permit investments in international equity and other asset classes that can include foreign currency exposure. To manage foreign currency exposure, the University also enters into foreign currency forward contracts, futures contracts, and options. The University held non-U.S. denominated securities at June 30, 2013, of $771.1 million.

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

University of Washington
Consolidated Endowment Fund
Foreign Currency Risk
June 30, 2013
(expressed in thousands)

Foreign Currency	Amount
E.M.U.-Euro	$ 114,213
China-Renminbi	73,109
India-Rupee	65,686
Britain-Pound	51,193
Brazil-Real	47,956
Russia-Ruble	47,302
Japan-Yen	45,735
Switzerland-Franc	36,888
South Korea-Won	29,477
Canada-Dollar	27,109
Hong Kong-Dollar	24,285
Taiwan-Dollar	23,796
Philippines-Peso	22,737
Indonesia-Rupiah	19,301
Remaining currencies	142,283
Total	$ 771,070

7. Derivatives

The University's investment policies allow investing in various derivative instruments, including futures, swaps, and forwards, to manage exposures within or across the portfolio and to improve the portfolio's risk/return profile. Futures are financial contracts obligating the buyer to purchase an asset at a predetermined future date and price. Total return swaps involve commitments to pay interest in exchange for a market linked return, both based on notional amounts. Derivative instruments are recorded on the contract date and are carried at fair value using listed price quotations or amounts that approximate fair value.

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, 2013. No derivative instruments have been reclassified from a hedging instrument to an investment instrument.

Details on foreign currency derivatives are disclosed under Foreign Currency Risk.

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

University of Washington
Derivative Investments
June 30, 2013
(expressed in thousands)

Category	Changes in Fair Value - Included in Investment Income (Loss) Amount	Fair Value - Investment Derivative Amount	Notional
Futures contracts	$ 184	$ 34,278	$ 34,462

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, and 43.84.080 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 Washington 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.
- Local Government Investment Pool (LGIP).
- 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 is not allowed.
- The allocation to investments subject to high price 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 Citibank as a lending agent to lend securities, receives earnings 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 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. One option available to the lending agent is to invest cash collateral into an OST account in the LGIP. At June 30, 2013, cash collateral totaled $204.0 million, all of which was invested in the LGIP.

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, 2013, the fair value of securities on loan totaled $199.8 million.

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 2013,

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, 2013:

Office of the State Treasurer (OST)
Cash Management Account
June 30, 2013
(expressed in thousands)

		Maturity	
Investment Type	**Fair Value**	**Less than 1 Year**	**1-5 Years**
U.S. agency obligations	$ 1,547,870	$ 303,903	$ 1,243,967
U.S. government obligations	560,632	-	560,632
Repurchase agreements	1,000,000	1,000,000	-
Certificates of deposit	154,266	154,266	-
Investments with LGIP	1,361,414	1,361,414	-
Interest bearing bank accounts	310,773	310,773	-
Total	$ 4,934,955	$ 3,130,356	$ 1,804,599

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 2013, the OST did not own any non-governmental securities subject to this restriction.

5. Foreign Currency Risk - None.

6. Derivatives - None.

7. Repurchase and 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. There were no reverse repurchase agreements during fiscal year 2013.

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. As of June 30, 2013, repurchase agreements totaled $1.0 billion.

Note 4
Receivables, Unearned and Unavailable Revenues

A. GOVERNMENTAL FUNDS

Taxes Receivable
Taxes receivable at June 30, 2013, consisted of the following (expressed in thousands):

Taxes Receivable	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Property	$ 994,026	$ -	$ -	$ 224	$ 994,250
Sales	1,554,619	-	-	-	1,554,619
Business and occupation	656,357	-	-	-	656,357
Estate	1,112	14,655	-	-	15,767
Fuel	-	-	-	108,742	108,742
Liquor		-	-	9,490	9,490
Other	10,576	-	-	641	11,217
Subtotals	3,216,690	14,655	-	119,097	3,350,442
Less: Allowance for uncollectible receivables	46,352	-	-	789	47,141
Total Taxes Receivable	$ 3,170,338	$ 14,655	$ -	$ 118,308	$ 3,303,301

Other Receivables
Other receivables at June 30, 2013, consisted of the following (expressed in thousands):

Other Receivables	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Public assistance [1]	$ 769,720	$ -	$ -	$ -	$ 769,720
Accounts receivable	29,379	203,473	630	97,091	330,573
Interest	2,157	8,327	4,386	5,619	20,489
Loans [2]	5,540	130,653	-	442,534	578,727
Long-term contracts [3]	1,003	-	9,911	77,046	87,960
Miscellaneous	120,593	92,895	9,612	236,350	459,450
Subtotals	928,392	435,348	24,539	858,640	2,246,919
Less: Allowance for uncollectible receivables	774,876	27,629	3	25,515	828,023
Total Other Receivables	$ 153,516	$ 407,719	$ 24,536	$ 833,125	$ 1,418,896

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 $104.7 million in the Higher Education Special Revenue Fund for student loans and $433.4 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.

Unearned Revenue

Unearned revenue at June 30, 2013, consisted of the following (expressed in thousands):

Unearned Revenue	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Other taxes	$ 1,843	$ -	$ -	$ -	$ 1,843
Charges for services	37,488	143,096	385	37,849	218,818
Donable goods	-	-	-	6,283	6,283
Grants and donations	14,964	952	-	4,930	20,846
Loan programs		-	-	16	16
Seizure of forfeited assets	-	-	-	5,238	5,238
Miscellaneous	24,981	5,496	-	25,949	56,426
Total Unearned Revenue	$ 79,276	$ 149,544	$ 385	$ 80,265	$ 309,470

Unavailable Revenue

Unavailable revenue at June 30, 2013, consisted of the following (expressed in thousands):

Unavailable Revenue	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Property taxes	$ 972,650	$ -	$ -	$ 80	$ 972,730
Other taxes	514,807	11,718	-	364	526,889
Timber sales	1,003	-	9,911	77,046	87,960
Charges for services	3,857	-	-	1,065	4,922
Grants and donations	93	-	-	-	93
Loan programs	7	-	-	796,314	796,321
Miscellaneous	1	-	-	26,307	26,308
Total Unavailable Revenue	$ 1,492,418	$ 11,718	$ 9,911	$ 901,176	$ 2,415,223

B. PROPRIETARY FUNDS

Other Receivables

Other receivables at June 30, 2013, consisted of the following (expressed in thousands):

	Business-Type Activities Enterprise Funds						Governmental Activities
Other Receivables	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Total	Internal Service Funds
Accounts receivable	$ 150,933	$ -	$ 244,009	$ 1	$ 22,581	$ 417,524	$ 11,308
Interest	108,971	-	553	6,104	-	115,628	541
Miscellaneous	591,050	746,821	20,560	67	4	1,358,502	15,902
Subtotals	850,954	746,821	265,122	6,172	22,585	1,891,654	27,751
Less: Allowance for uncollectible receivables	148,990	101,346	73,928	-	174	324,438	564
Total Other Receivables	$ 701,964	$ 645,475	$ 191,194	$ 6,172	$ 22,411	$ 1,567,216	$ 27,187

Unearned Revenue

Unearned revenue at June 30, 2013, consisted of the following (expressed in thousands):

	Business-Type Activities Enterprise Funds						Governmental Activities
Unearned Revenue	Workers' Compensation	Unemployment Compensation	Higher Education Student Services	Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Total	Internal Service Funds
Charges for services	$ -	$ -	$ 37,188	$ -	$ 251	$ 37,439	$ 2,316
Other taxes	181	-	-	-	-	181	-
Miscellaneous	6,386	-	2,607	-	-	8,993	15
Total Unearned Revenue	$ 6,567	$ -	$ 39,795	$ -	$ 251	$ 46,613	$ 2,331

C. FIDUCIARY FUNDS

Other Receivables

Other receivables at June 30, 2013, consisted of the following (expressed in thousands):

Other Receivables	Local Government Investment Pool	Agency Funds
Interest	$ 691	$ 53
Other	-	12,290
Subtotals	691	12,343
Less: Allowance for uncollectible receivables	-	4,352
Total Other Receivables	$ 691	$ 7,991

Unearned Revenue

Unearned revenue at June 30, 2013, consisted of $726,000 for service credit restorations reported in Pension and Other Employee Benefit Plans.

Note 5
Interfund Balances and Transfers

A. INTERFUND BALANCES

Interfund balances as reported in the financial statements at June 30, 2013, 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	$ -	$ 34,657	$ -	$ 101,147	$ 254
Higher Education Special Revenue	47,361	-	-	318,698	516
Higher Education Endowment	-	-	-	703	-
Nonmajor Governmental Funds	326,973	696	2,177	169,215	891
Workers' Compensation	5	-	-	9	-
Unemployment Compensation	1,510	1,264	-	1,492	48
Higher Education Student Services	820	2,084	-	1,130	268
Guaranteed Education Tuition Program	2	-	-	-	-
Nonmajor Enterprise Funds	5,536	374	-	1,693	495
Internal Service Funds	26,265	1,147	-	22,835	4,775
Fiduciary Funds	-	8	-	6	-
Totals	$ 408,472	$ 40,230	$ 2,177	$ 616,928	$ 7,247

Nearly all 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. Interfund balances include: (1) a $24.5 million loan from a nonmajor governmental fund to the General Fund which is expected to be paid over the next six years; and (2) a $3.1 million loan between nonmajor governmental funds which is expected to be paid over the next eight years.

In addition to the interfund balances noted in the schedule above, there are interfund balances of $1.7 million within the state's Pension Trust Funds.

Due From						
Unemployment Compensation	Higher Education Student Services	Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Internal Service Funds	Fiduciary Funds	Totals
$ -	$ -	$ 111	$ 17,266	$ 927	$ -	$ 154,362
-	429,515	200	16	74,691	11	871,008
-	-	-	-	-	-	703
1,058	4	-	148	2,269	-	503,431
-	-	-	1	5	-	20
-	32	-	20	76	-	4,442
-	-	-	-	-	-	4,302
-	-	-	-	-	-	2
-	446	-	1,127	133	-	9,804
-	27	5	460	33,135	-	88,649
-	-	-	8	-	-	22
$ 1,058	$ 430,024	$ 316	$ 19,046	$ 111,236	$ 11	$ 1,636,745

B. INTERFUND TRANSFERS

Interfund transfers as reported in the financial statements for the year ended June 30, 2013, 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	$ -	$ 1,851	$ -	$ 1,295,354	$ -
Higher Education Special Revenue	26,122	-	420	67,790	-
Higher Education Endowment	-	95,702	-	29,216	-
Nonmajor Governmental Funds	440,129	20,066	879	932,464	-
Workers' Compensation	-	-	-	-	-
Unemployment Compensation	61	-	-	-	-
Higher Education Student Services	-	94,079	-	323	-
Guaranteed Education Tuition Program	-	-	-	-	-
Nonmajor Enterprise Funds	130,147	-	-	10,704	-
Internal Service Funds	37	6,238	-	23	-
Totals	$ 596,496	$ 217,936	$ 1,299	$ 2,335,874	$ -

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 Lottery Fund as required by law, and 5) transfer amounts to and from the General Fund as required by law.

On June 20, 2013, $139.2 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.

In addition to the transfers noted in the schedule above, there were transfers of $5.6 million within the state's Pension Trust Funds.

Transferred To					
Unemployment Compensation	Higher Education Student Services	Guaranteed Education Tuition Program	Nonmajor Enterprise Funds	Internal Service Funds	Totals
$ -	$ -	$ -	$ 679	$ 14,347	$ 1,312,231
-	120,369	-	-	6,184	220,885
-	-	-	-	-	124,918
-	-	-	-	-	1,393,538
-	-	-	-	-	-
-	-	-	-	-	61
-	-	-	-	-	94,402
-	-	-	-	-	-
-	-	-	12,485	-	153,336
-	-	-	-	49,893	56,191
$ -	$ 120,369	$ -	$ 13,164	$ 70,424	$ 3,355,562

Note 6
Capital Assets

Capital assets at June 30, 2013, 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, 2013 (expressed in thousands):

Capital Assets	Balances July 1, 2012*	Additions	Deletions / Adjustments	Balances June 30, 2013
Capital assets, not being depreciated:				
Land	$ 2,358,301	$ 48,944	$ (19,684)	$ 2,387,561
Transportation infrastructure	20,867,495	812,401	-	21,679,896
Intangible assets - indefinite lives	1,520	1,246	-	2,766
Art collections, library reserves, and museum and historical collections	122,672	616	(13)	123,275
Construction in progress	812,601	531,112	(409,981)	933,732
Total capital assets, not being depreciated	24,162,589			25,127,230
Capital assets, being depreciated:				
Buildings	11,490,063	456,631	(61,369)	11,885,326
Accumulated depreciation	(3,956,662)	(331,407)	12,608	(4,275,463)
Net buildings	7,533,401			7,609,863
Other improvements	1,266,062	105,919	(1,058)	1,370,923
Accumulated depreciation	(582,593)	(49,468)	115	(631,946)
Net other improvements	683,469			738,977
Furnishings, equipment and intangible assets	4,454,654	314,267	(206,569)	4,562,353
Accumulated depreciation	(2,973,048)	(278,151)	168,501	(3,082,698)
Net furnishings, equipment and intangible assets	1,481,606			1,479,655
Infrastructure	886,216	46,855	(601)	932,470
Accumulated depreciation	(424,474)	(29,381)	192	(453,663)
Net infrastructure	461,742			478,807
Total capital assets, being depreciated, net	10,160,218			10,307,302
Governmental Activities Capital Assets, Net	$ 34,322,807			$ 35,434,532

* Beginning balances reflect the prior period adjustment to reclassify the Liquor Revolving Fund from business-type to governmental, which resulted in an increase in capital assets of $46.4 million and an increase in accumulated depreciation of $21.9 million.

B. BUSINESS-TYPE CAPITAL ASSETS

The following is a summary of business-type capital asset activity for the year ended June 30, 2013 (expressed in thousands):

Capital Assets	Balances July 1, 2012*	Additions	Deletions / Adjustments	Balances June 30, 2013
Capital assets, not being depreciated:				
Land	$ 62,584	$ -	$ (2,018)	$ 60,566
Intangible assets - indefinite lives	-	4,580	-	4,580
Art collections	35	-	-	35
Construction in progress	681,414	135,832	(375,419)	441,827
Total capital assets, not being depreciated	744,033			507,008
Capital assets, being depreciated:				
Buildings	2,073,812	694,857	(16,586)	2,752,083
Accumulated depreciation	(694,283)	(84,860)	14,671	(764,472)
Net buildings	1,379,529			1,987,611
Other improvements	87,544	7,978	(5)	95,517
Accumulated depreciation	(31,502)	(3,966)	3	(35,465)
Net other improvements	56,042			60,052
Furnishings, equipment and intangible assets	600,490	69,181	(15,715)	653,956
Accumulated depreciation	(440,313)	(47,001)	15,767	(471,547)
Net furnishings, equipment and intangible assets	160,177			182,409
Infrastructure	41,682	262	-	41,944
Accumulated depreciation	(16,331)	(1,475)	-	(17,806)
Net infrastructure	25,351			24,138
Total capital assets, being depreciated, net	1,621,099			2,254,210
Business-Type Activities Capital Assets, Net	$ 2,365,132			$ 2,761,218

* Beginning balances reflect the prior period adjustment to reclassify the Liquor Revolving Fund from business-type to governmental, which resulted in a decrease in capital assets of $46.4 million and a decrease in accumulated depreciation of $21.9 million.

C. DEPRECIATION

Depreciation expense for the year ended June 30, 2013, was charged by the primary government as follows (expressed in thousands):

		Amount
Governmental Activities:		
General government	$	71,423
Education - elementary and secondary (K-12)		9,703
Education - higher education		403,564
Human services		25,477
Adult corrections		47,097
Natural resources and recreation		34,430
Transportation		96,713
Total Depreciation Expense - Governmental Activities *	$	688,407
Business-Type Activities:		
Workers' compensation	$	8,428
Unemployment compensation		-
Higher education student services		127,404
Guaranteed education tuition program		4
Other		1,466
Total Depreciation Expense - Business-Type Activities	$	137,302

* Includes $81.0 million internal service fund depreciation that was allocated to governmental activities as a component of net internal service fund activity.

D. CONSTRUCTION IN PROGRESS

Major construction commitments of the state at June 30, 2013, are as follows (expressed in thousands):

Agency / Project Commitments	Construction In Progress June 30, 2013	Remaining Project Commitments
Department of Enterprise Services:		
O'Brien Building improvement, legislative building improvements, Capitol Campus high voltage system, and other projects	$ 69,178	$ 4,131
Department of Labor and Industries:		
Data warehouse enhancement, occupational health, and stay at work projects	6,202	1,922
Department of Social and Health Services:		
Residential housing unit renovations, and other projects	31,201	8,741
Department of Veterans Affairs:		
Walla Walla Veterans Home	10,683	36,495
Department of Corrections:		
Prison intake center	-	252,226
Correctional center housing units and kitchen expansion, and other projects	52,077	-
Department of Transportation:		
State ferry vessels and terminals, and other projects	255,248	129,598
Transportation infrastructure	-	1,615,292
Department of Fish and Wildlife:		
Voights Creek Hatchery, Carpenter Creek Estuary, Deschutes Watershed Center, and other projects	20,946	88,021
Employment Security Department:		
Next generation TAXIS system project	38,622	4,702
University of Washington:		
Ethnic Cultural Center and HUB renovation	1,923	2,029
Husky ballpark and Husky stadium projects	254,505	10,333
UWMC expansion	14,715	28,673
Maple and Terry Hall renovations, Lander and Mercer Hall replacement, and new projects	134,151	63,329
UW Tacoma and Bothell campus, and other projects	75,714	71,428
Washington State University:		
Agricultural Animal Health Research Facility	250	22,150
Biomedical and Health Sciences Building	56,214	22,401
Martin Stadium improvements and athletics indoor practice facility	19,494	60,706
Clean Technology Laboratory	2,503	55,197
Chief Joseph village renovation	-	20,000
Smart Grid energy and other projects	7,742	25,628
Eastern Washington University:		
Patterson Hall renovation, residence hall project, and other projects	63,844	19,772
Central Washington University:		
New residence hall construction, and other projects	5,890	9,282
The Evergreen State College:		
Housing and other projects	15,638	6,358
Western Washington University:		
Carver and Fraser Hall renovation, housing and dining, and other projects	23,728	2,643
Community and Technical Colleges:		
Everett index replacement and CCEC renovation	32,321	2,904
Green River Trades and Industry, and SMT renovation	16,734	29,448
Seattle Community College District Employment Residence Center, Georgetown PSIEC, and wood construction replacement	32,900	873
South Puget Sound Building 22 renovation	24,021	5,810
Tacoma Health Careers Center	13,916	27,107
Other miscellaneous community college projects	81,812	169,774
Other Agency Projects	13,387	24,684
Total Construction in Progress	$ 1,375,559	$ 2,821,657

Note 7
Long-Term Liabilities

A. BONDS PAYABLE

Bonds payable at June 30, 2013, 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 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 2013 is $1.13 billion.

This computation excludes specific bond issues and types, which are not secured by general state revenues. Of the $18.21 billion general obligation bond debt outstanding at June 30, 2013, $10.73 billion is subject to the limitation.

Based on the debt limitation calculation, the debt service requirements as of June 30, 2013, 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_cdl2013.pdf, or to Schedule 11 in the Statistical Section of this report.

Authorized But Unissued

The state had a total of $6.33 billion in general obligation bonds authorized but unissued as of June 30, 2013, 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 0.35 to 6.75 percent. Interest rates on revenue bonds range from 1.6 to 7.4 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 obligation bonds are presented in the Washington State Treasurer's Annual Report for 2013. 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, 2013, are as follows (expressed in thousands):

	Governmental Activities		Business-Type Activities		Totals	
General Obligation Bonds	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
By Fiscal Year:						
2014	$ 787,632	$ 852,186	$ 3,605	$ 527	$ 791,237	$ 852,713
2015	817,385	832,051	3,820	325	821,205	832,376
2016	837,837	802,332	4,050	110	841,887	802,442
2017	864,744	788,311	-	-	864,744	788,311
2018	857,009	748,173	-	-	857,009	748,173
2019-2023	4,232,725	3,114,731	-	-	4,232,725	3,114,731
2024-2028	4,112,620	2,085,926	-	-	4,112,620	2,085,926
2029-2033	3,510,413	1,063,905	-	-	3,510,413	1,063,905
2034-2038	1,595,285	310,216	-	-	1,595,285	310,216
2039-2043	584,054	54,268	-	-	584,054	54,268
Total Debt Service Requirements	$18,199,704	$10,652,099	$ 11,475	$ 962	$18,211,179	$10,653,061

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, 2013, include $237.4 million in governmental activities and $1.42 billion 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, 2013, are as follows (expressed in thousands):

	Governmental Activities		Business-Type Activities		Totals	
Revenue Bonds	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
By Fiscal Year:						
2014	$ 33,498	$ 96,138	$ 80,581	$ 85,778	$ 114,079	$ 181,916
2015	30,478	94,116	45,597	83,221	76,075	177,337
2016	80,141	91,618	47,859	81,275	128,000	172,893
2017	84,452	87,527	49,604	79,255	134,056	166,782
2018	83,341	83,199	49,970	77,201	133,311	160,400
2019-2023	484,871	367,181	274,884	397,409	759,755	764,590
2024-2028	394,221	237,354	285,385	315,657	679,606	553,011
2029-2033	296,605	141,475	287,951	233,411	584,556	374,886
2034-2038	100,734	72,575	386,688	146,079	487,422	218,654
2039-2043	123,262	14,701	421,777	40,479	545,039	55,180
Total Debt Service Requirements	$ 1,711,603	$ 1,285,884	$ 1,930,296	$ 1,539,765	$ 3,641,899	$ 2,825,649

Governmental activities include revenue bonds outstanding at June 30, 2013, of $369.9 million issued by the Tobacco Settlement Authority (TSA), which is a blended component unit of the state. In November 2002, the TSA issued $517.9 million in bonds and transferred $450.0 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 $647.8 million, payable through 2032. For the current year, pledged revenue and debt service were $44.2 million and $44.4 million, respectively.

Governmental activities include grant anticipation revenue bonds outstanding at June 30, 2013, of $500.4 million issued for the Washington State Department of Transportation. The bonds were issued to finance a portion of the costs of constructing the State Route 520 Floating Bridge and Eastside Project.

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 $684.2 million, payable through 2025. For the current year both pledged revenue and debt service were $18.3 million.

Governmental activities include revenue bonds outstanding at June 30, 2013, of $245.1 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 $396.1 million, payable through 2038. For the current year, pledged revenue and debt service were $30.8 million and $12.3 million, respectively.

Governmental activities include revenue bonds outstanding at June 30, 2013, of $51.7 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 $79.1 million, payable through 2028. For the current year, both pledged revenue and debt service were $4.1 million.

Governmental activities include revenue bonds outstanding at June 30, 2013, of $298.6 million issued by FYI Properties, a blended component unit of the state. The bonds, issued in 2009, are payable solely from the trust estate pledged under the indenture, including rental payments. The bonds were used to construct an office building in Olympia, Washington which the state occupied beginning in fiscal year 2012.

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 $562.1 million, payable through 2039. For the current year, both pledged revenue and debt service were $21.2 million.

Additionally, governmental activities include revenue bonds outstanding at June 30, 2013, of $8.5 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 $10.1 million, payable through 2022. For the current year, both pledged revenue and debt service were $1.5 million.

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, 2013, are as follows (expressed in thousands):

Source of Revenue Pledged	Housing and Dining Revenues (Net of Operating Expenses)	Facilities Fees and Earnings on Invested Fees	Parking Revenues (Net of Operating Expenses)	Bookstore Revenues
Current revenue pledged	$ 39,619	$ 42,189	$ 2,821	$ 184
Current year debt service	20,976	19,747	776	148
Total future revenues pledged *	448,449	438,564	8,535	3,570
Description of debt	Housing and dining bonds issued in 1998-2013	Student facilities bonds issued in 2002-2012	Parking system revenue bonds issued in 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	2026-2042	2030-2038	2024	2034
Percentage of debt service to pledged revenues (current year)	52.94%	46.81%	27.50%	80.16%

* Total future principal and interest payments.

B. CERTIFICATES OF PARTICIPATION

Certificates of participation at June 30, 2013, 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, 2013, are as follows (expressed in thousands):

	Governmental Activities		Business-Type Activities		Totals	
Certificates of Participation	Principal	Interest	Principal	Interest	Principal	Interest
By Fiscal Year:						
2014	$ 98,894	$ 32,399	$ 4,011	$ 1,314	$ 102,905	$ 33,713
2015	58,852	19,502	4,200	1,392	63,052	20,894
2016	55,112	17,520	3,933	1,250	59,045	18,770
2017	41,430	15,518	2,957	1,108	44,387	16,626
2018	37,959	14,008	2,709	1,000	40,668	15,008
2019-2023	149,068	50,233	10,639	3,585	159,707	53,818
2024-2028	109,220	21,786	7,795	1,555	117,015	23,341
2029-2033	37,883	3,102	2,704	221	40,587	3,323
Total Debt Service Requirements	$ 588,418	$ 174,068	$ 38,948	$ 11,425	$ 627,366	$ 185,493

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 position.

Current Year Defeasances

Bonds

Governmental Activities.
On July 26, 2012, the state issued $78.3 million of taxable general obligation refunding bonds with an average interest rate of .47 percent to refund $77.9 million of various purpose general obligation bonds with an average interest rate of 5.4 percent. The refunding resulted in a $6.4 million gross debt service savings over the next 4 years and a net present value savings of $6.4 million.

On September 6, 2012, the state issued $380.4 million of motor vehicle fuel tax general obligation refunding bonds with an average interest rate of 4.26 percent to refund $388.1 million of motor vehicle fuel tax general obligation bonds with an average interest rate of 4.98 percent. The refunding resulted in a $50.6 million gross debt service savings over the next 18 years and a net present value savings of $39.7 million.

Also on September 6, 2012, the state issued $352.2 million of various purpose general obligation refunding bonds with an average interest rate of 4.33 percent to refund $357.6 million of various purpose general obligation bonds with an average interest rate of 5.0 percent. The refunding resulted in a $43.4 million gross debt service savings over the next 18 years and a net present value savings of $34.7 million.

On February 5, 2013, the state issued $159.4 million of motor vehicle fuel tax general obligation refunding bonds with an average interest rate of 3.93 percent to refund $158.3 million of motor vehicle fuel tax general obligation bonds with an average interest rate of 5 percent. The refunding resulted in a $23.2 million gross debt service savings over the next 19 years and a net present value savings of $18.5 million.

Also on February 5, 2013, the state issued $666.7 million of various purpose general obligation refunding bonds with an average interest rate of 4.22 percent to refund $703.9 million of various purpose general obligation bonds with an average interest rate of 4.72 percent. The refunding resulted in a $73.7 million gross debt service savings over the next 19 years and a net present value savings of $57.7 million.

Business-Type Activities.
On July 19, 2012, Western Washington University issued $9.2 million in business-type activity revenue refunding bonds with an average interest rate of 3.56 percent to refund $9.5 million of business-type activity revenue bonds with an average interest rate of 4.58 percent. The refunding resulted in a $877,313 gross debt service savings over the next 11 years and an economic gain of $760,746.

On March 28, 2013, Central Washington University issued $53.4 million in business-type activity revenue refunding bonds with an average interest rate of 3.76 percent to refund $53.8 million of business-type activity revenue bonds with an average interest rate of 5.25 percent. The refunding resulted in a $10.8 million gross debt service savings over the next 21 years and an economic gain of $7.9 million.

On April 2, 2013, Washington State University issued $9.8 million in general revenue bonds with an average interest rate 4.52 percent to refund $10.9 million of housing and dining revenue bonds with an average interest rate of 4.64 percent. The refunding resulted in $1.6 million gross debt service savings over the next 12 years and an economic gain of $1.3 million.

Certificates of Participation (COPs)

On March 19, 2013, the state issued $25.4 million in refunding certificates of participation with an average interest rate of 4.23 percent to refund $31.6 million of certificates of participation with interest rates between 4.18 and 4.34 percent. The refunding resulted in a $3.3 million gross debt service savings over the next 11 years and a net present value savings of $5.7 million.

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, 2013, $2.95 billion of general obligation bonded debt outstanding is considered defeased.

Revenue Bond Debt

On June 30, 2013, $90.6 million of revenue bonded debt outstanding is considered defeased.

Certificates of Participation Debt

On June 30, 2013, $80.7 million of certificates of participation debt outstanding is considered defeased.

D. LEASES

Leases at June 30, 2013, 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 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, 2013, include the following (expressed in thousands):

	Governmental Activities	Business-Type Activities
Land (non-depreciable)	$ 1,918	$ -
Buildings	14,022	4,512
Equipment	18,249	13,244
Less: Accumulated depreciation	(19,422)	(5,271)
Totals	$ 14,767	$ 12,485

The following schedule presents future minimum payments for capital and operating leases as of June 30, 2013 (expressed in thousands):

	Capital Leases		Operating Leases	
Capital and Operating Leases	**Governmental Activities**	**Business-Type Activities**	**Governmental Activities**	**Business-Type Activities**
By Fiscal Year:				
2014	$ 3,075	$ 2,304	$ 130,583	$ 33,528
2015	2,745	2,288	115,551	30,874
2016	1,442	2,274	90,497	22,509
2017	1,031	2,265	68,379	14,132
2018	470	2,002	53,885	7,934
2019-2023	1,979	6,711	153,596	27,572
2024-2028	-	-	82,842	18,055
2029-2033	-	-	63,994	20,921
2034-2038	-	-	64,399	24,242
2039-2043	-	-	65,132	22,645
Total Future Minimum Payments	10,742	17,844	888,858	222,412
Less: Executory Costs and Interest Costs	(588)	(2,356)	-	-
Net Present Value of Future Minimum Lease Payments	$ 10,154	$ 15,488	$ 888,858	$ 222,412

The total operating lease rental expense for fiscal year 2013 for governmental activities was $327.4 million, of which $582,391 was for contingent rentals. The total operating lease rental expense for fiscal year 2013 for business-type activities was $32.9 million, of which $61,385 was for contingent rentals.

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, 2013, $34.75 billion of unpaid claims and claim adjustment expenses are presented at their net present and settlement value of $23.63 billion. These claims are discounted at assumed interest rates of 1.5 percent (time loss and medical) to 6.5 percent (pensions) to arrive at a settlement value.

The claims and claim adjustment liabilities of $23.63 billion as of June 30, 2013, include $11.29 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 $12.34 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 2012 and 2013 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
2012	$ 22,943,311	1,731,341	(2,078,302)	$ 22,596,350
2013	$ 22,596,350	3,150,517	(2,119,307)	$ 23,627,560

Risk Management

The Risk Management Fund administers tort and sundry claims filed against Washington state agencies, except the University of Washington and the Department of 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, 2013, 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 $542.7 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, 2013, the Risk Management Fund held $60.2 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 2012 and 2013 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
2012	$ 702,632	170,437	(42,747)	(16,949)	$ 813,373
2013	$ 813,373	(187,481)	(65,548)	(17,635)	$ 542,709

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, 2013, health insurance claims liabilities totaling $59.9 million are fully funded with cash and investments, net of obligations under securities lending agreements.

Changes in the balances of health insurance claims liabilities during fiscal years 2012 and 2013 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
2012	$ 84,990	771,328	(787,411)	$ 68,907
2013	$ 68,907	816,965	(825,999)	$ 59,873

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 28 projects in progress for which the state has recorded a liability of $43.7 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, 2013, the state has recorded a liability of $128.1 million for remaining project commitments.

Overall, the state has recorded a pollution remediation liability of $171.8 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; 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, 2013, is reported by the state of Washington within governmental activities and business-type activities, as applicable. Long-term liability activity for governmental activities for fiscal year 2013 is as follows (expressed in thousands):

Governmental Activities:	Beginning Balance July 1, 2012*	Additions	Reductions	Ending Balance June 30, 2013	Amounts Due Within One Year
Long-Term Debt:					
GO Bonds Payable:					
General obligation (GO) bonds	$ 17,206,550	$ 2,729,170	$ 2,331,825	$ 17,603,895	$ 748,765
GO - zero coupon bonds (principal)	631,301	-	35,492	595,809	38,867
Subtotal - GO bonds payable	17,837,851	2,729,170	2,367,317	18,199,704	787,632
Accreted interest - GO - zero coupon bonds	414,719	24,068	-	438,787	-
Revenue bonds payable	1,657,156	108,720	54,273	1,711,603	33,498
Less: Deferred issuance discounts	(6,684)	840	-	(5,844)	-
Total Bonds Payable	19,903,042	2,862,798	2,421,590	20,344,250	821,130
Other Liabilities:					
Certificates of participation	473,941	405,267	290,790	588,418	98,894
Claims and judgments	1,021,984	70,701	329,980	762,705	211,003
Installment contracts	6,799	-	4,482	2,317	-
Leases	7,151	6,143	3,140	10,154	2,854
Compensated absences	555,974	311,246	297,876	569,344	59,919
Unfunded pension obligations	282,423	58,018	-	340,441	-
Other postemployment benefits obligations	1,146,490	321,635	-	1,468,125	-
Pollution remediation obligations	165,234	21,723	15,141	171,816	-
Unclaimed property refunds	129,252	-	22,585	106,667	11
Other	131,096	45,956	33,663	143,389	-
Total Other Liabilities	3,920,344	1,240,689	997,657	4,163,376	372,681
Total Long-Term Debt	$ 23,823,386	$ 4,103,487	$ 3,419,247	$ 24,507,626	$ 1,193,811

* Beginning balances reflect the prior period adjustment to reclassify the Liquor Revolving Fund from business-type activity to a governmental, which resulted in an increase in certificates of participation of $5.3 million and an increase in compensated absences of $2.0 million.

For governmental activities, certificates of participation are being repaid approximately 49 percent from the General Fund, 33 percent from the Higher Education Special Revenue Fund, and the balance from various governmental funds. The compensated absences liability will be liquidated approximately 43 percent by the General Fund, 34 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 71 percent by the Risk Management Fund (an internal service fund), 10 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The other postemployment benefits obligations liability will be liquidated approximately 44 percent by the General Fund, 33 percent by the Higher Education Special Revenue Fund, and the balance by various other governmental funds. The pollution remediation liability will be liquidated approximately 75 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 fiscal year 2013 is as follows (expressed in thousands):

Business-Type Activities	Beginning Balance July 1, 2012*	Additions	Reductions	Ending Balance June 30, 2013	Amounts Due Within One Year
Long-Term Debt:					
General obligation bonds payable	$ 14,875	$ -	$ 3,400	$ 11,475	$ 3,605
Revenue bonds payable	1,681,830	332,749	84,283	1,930,296	80,581
Plus: Unamortized issuance premiums	72,661	36,680	8,864	100,477	-
Less: Deferred issuance discounts	(416)	147	-	(269)	-
Total Bonds Payable	1,768,950	369,576	96,547	2,041,979	84,186
Other Liabilities:					
Certificates of participation	46,834	14,864	22,750	38,948	4,011
Plus: Deferred issuance premiums	1,248	1,581	136	2,693	-
Claims and judgments	22,607,953	2,040,428	1,009,611	23,638,770	1,853,263
Lottery prize annuities payable	206,579	50,835	81,384	176,030	33,438
Tuition benefits payable	2,942,000	195,002	421,002	2,716,000	151,000
Leases	5,722	10,311	545	15,488	1,793
Compensated absences	63,565	25,028	22,188	66,405	33,763
Other postemployment benefits obligations	132,891	29,389	16,630	145,650	-
Other	25,349	40	25,155	234	-
Total Other Liabilities	26,032,141	2,367,478	1,599,401	26,800,218	2,077,268
Total Long-Term Debt	$ 27,801,091	$ 2,737,054	$ 1,695,948	$ 28,842,197	$ 2,161,454

* Beginning balances reflect the prior period adjustment to reclassify the Liquor Revolving Fund from business-type activity to a governmental, which resulted in a decrease in certificates of participation of $5.3 million and a decrease in compensated absences of $2.0 million.

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 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 full 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, 2013, balances for the "No Commitment" debt of the state's financing authorities (expressed in thousands):

Financing Authorities	Principal Balance
Washington State Housing Finance Commission	$ 3,490,997
Washington Higher Education Facilities Authority	706,243
Washington Health Care Facilities Authority	5,484,000
Washington Economic Development Finance Authority	758,663
Total No Commitment Debt	$ 10,439,903

Note 9
Governmental Fund Balances

A. GOVERNMENTAL FUND BALANCES

The state's governmental fund balances are reported according to the relative constraints that control how amounts can be spent. Net position restricted as a result of enabling legislation totaled $43.7 million. Classifications include nonspendable, restricted, committed, and assigned, which are further described in Note 1.D.9.

A summary of governmental fund balances at June 30, 2013, is as follows (expressed in thousands):

Fund Balances	General	Higher Education Special Revenue	Higher Education Endowment	Nonmajor Governmental Funds	Total
Nonspendable:					
Permanent funds	$ -	$ -	$ 1,929,641	$ 192,070	$ 2,121,711
Consumable inventories	12,904	11,332	-	44,050	68,286
Petty cash	565	2,660	-	744	3,969
Investments	-	46,433	62,204	365	109,002
Other receivables – long-term	36,350	-	-	-	36,350
Total Nonspendable Fund Balance	$ 49,819	$ 60,425	$ 1,991,845	$ 237,229	$ 2,339,318
Restricted for:					
Higher education	$ -	$ -	$ 1,361,921	$ 93,037	$ 1,454,958
Education	-	-	24,896	12,975	37,871
Transportation	-	-	-	783,142	783,142
Other purposes	683	-	-	9,472	10,155
Human services	-	-	209	251,275	251,484
Wildlife and natural resources	28,155	-	-	847,611	875,766
Local grants and loans	-	-	-	273	273
School construction	676	-	-	143,208	143,884
Budget stabilization	269,651	-	-	-	269,651
Debt service	-	-	-	86,231	86,231
Pollution remediation	-	-	-	127,703	127,703
Operations and maintenance	-	-	-	6,410	6,410
Repair and Replacement	-	-	-	1,875	1,875
Unspent GARVEE bond proceeds	-	-	-	142,593	142,593
Third tier debt service	-	-	-	2,186	2,186
Total Restricted Fund Balance	$ 299,165	$ -	$ 1,387,026	$ 2,507,991	$ 4,194,182
Committed for:					
Higher education	$ 20,981	$ 2,302,301	$ -	$ 49,338	$ 2,372,620
Education	-	-	-	2,036	2,036
Transportation	-	-	-	160,233	160,233
Other purposes	-	-	-	169,147	169,147
Human services	2,778	-	-	277,159	279,937
Wildlife and natural resources	35,820	-	-	466,629	502,449
Local grants and loans	-	-	-	996,518	996,518
State facilities	-	-	-	1,724	1,724
Debt service	-	-	-	512,243	512,243
Total Committed Fund Balance	$ 59,579	$ 2,302,301	$ -	$ 2,635,027	$ 4,996,907
Assigned for:					
Working capital	$ 835,152	$ -	$ -	$ -	$ 835,152
Other purposes	-	-	-	40	40
Total Assigned Fund Balance	$ 835,152	$ -	$ -	$ 40	$ 835,192

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 30 of each fiscal year, an amount equal to 1.0 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.

At June 30, 2013, the Budget Stabilization Account had restricted fund balance of $269.7 million.

Note 10
Deficit Net Position

Risk Management Fund

The Risk Management Fund, an internal service fund, had a deficit net position of $486.3 million at June 30, 2013. The Risk Management Fund is used to administer the Self-Insurance Liability Program (SILP). The SILP was initiated in 1990 and is intended to provide funds for the payment of all tort claims and defense expenses. The 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 Risk Management Fund is supported by premium assessments to state agencies. The state is restricted by law from accumulating funds in the SILP 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 a deficit net position.

The net position in the Risk Management Fund improved in the fiscal year ended June 30, 2013. The actuarial projection of the expected claims liability is based on actual experience for the past five years. The projected liability decreased due to the decrease in the number of claims filed and the relative stability in the severity of the claims.

The following schedule details the change in net position for the Risk Management Fund during the fiscal year ended June 30, 2013 (expressed in thousands):

Risk Management Fund	Net Position
Balance, July 1, 2012	$ (709,742)
Fiscal year 2013 activity	223,491
Balance, June 30, 2013	$ (486,251)

State Facilities Fund

The State Facilities Fund had a deficit fund balance of $79.3 million at June 30, 2013.

The State Facilities Fund is used to pay for various capital projects throughout the state. It is primarily supported by bond proceeds, income from property, and sales of property.

Costs were incurred during fiscal year 2013 but the bonds to support these projects were not issued until after June 30, 2013, resulting in a deficit fund balance.

The following schedule details the change in fund balance for the State Facilities Fund during the fiscal year ended June 30, 2013 (expressed in thousands):

State Facilities Fund	Fund Balance
Balance, July 1, 2012	$ 270,318
Fiscal year 2013 activity	(349,645)
Balance, June 30, 2013	$ (79,327)

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 position. 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.

In January 2012, the Department of Retirement Systems began collecting contributions from state institutions of higher education for deposit in the Higher Education Retirement Plan (HERP) Supplemental Benefit Fund. The contributions are to begin prefunding the unfunded future obligations related to the supplemental benefits of the HERP. The HERP Supplemental Benefit Fund was not created as a pension trust fund and is reported by the state as an administrative account in the General Fund.

Pursuant to RCW 41.50.770, the state offers its employees and employees of those political subdivisions that elect to participate, a deferred compensation program in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, disability, death or unforeseeable financial emergency. This deferred compensation plan is administered by the Department of Retirement Systems.

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. As established in chapter 28B.10 RCW, eligible higher education state employees may participate in Higher Education Retirement Plans. These plans are privately administered defined contribution plans with a supplemental defined benefit component.

Plan Disclosures

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 H, respectively. Information related to changes in actuarial assumptions and methods, and changes in benefit provisions are provided in Note 11.I and J. For information related to defined contribution plans, refer to Note 11.K. Details on plan net position and changes in plan net position of pension plans and other employee benefit funds administered by the state are presented in Note 11.L.

Membership of each state administered plan consisted of the following at June 30, 2012, the date of the latest actuarial valuation for all plans:

Number of Participating Members

Plans	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	52,672	1,594	6,275	360	60,901
PERS 2	27,820	24,953	88,630	27,247	168,650
PERS 3	1,750	3,968	11,412	16,666	33,796
TRS 1	36,054	477	2,989	30	39,550
TRS 2	3,060	2,348	5,431	5,418	16,257
TRS 3	3,804	6,720	34,558	16,931	62,013
SERS 2	4,437	4,992	13,209	7,637	30,275
SERS 3	3,214	5,928	20,139	10,573	39,854
LEOFF 1	7,845	-	186	-	8,031
LEOFF 2	2,344	689	14,087	2,633	19,753
WSPRS 1	915	120	712	-	1,747
WSPRS 2	-	8	195	159	362
PSERS 2	27	60	2,083	2,167	4,337
JRS	119	-	2	-	121
Judges	12	-	-	-	12
JRA	1	156	7	-	164
VFFRPF	3,971	6,174	3,955	6,477	20,577
Total	148,045	58,187	203,870	96,298	506,400

Following is a summary of the number of government employers participating in state administered retirement plans as of June 30, 2013:

Number of Participating Employers

Plans	State Agencies	School Districts	Counties/ Municipalities	Other Political Subdivisions	Total Employers
PERS 1	135	216	172	183	706
PERS 2	167	-	276	491	934
PERS 3	157	-	209	298	664
TRS 1	49	295	-	-	344
TRS 2	36	304	-	-	340
TRS 3	38	303	-	-	341
SERS 2	-	302	-	-	302
SERS 3	-	301	-	-	301
LEOFF 1	-	-	41	10	51
LEOFF 2	8	-	212	154	374
WSPRS 1	1	-	-	-	1
WSPRS 2	1	-	-	-	1
PSERS 2	9	-	65	1	75
JRS	1	-	-	-	1
Judges	1	-	-	-	1
JRA	3	-	-	-	3
VFFRPF	-	-	-	642	642
Total	606	1,721	975	1,779	5,081

Employers can participate in multiple systems and/or plans. The actual total number of participating employers as of June 30, 2013 is 1,958.

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. Approximately 49 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 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 members 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 exercised 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. Employees who fail to choose within 90 days default to PERS Plan 3.

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. Therefore, Plan 2/3 is considered to be a single plan for reporting purposes.

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 Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During fiscal year 2013, the rate was 5.5 percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit, upon separation from PERS-covered employment.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. PERS Plan 3 defined contribution retirement benefits are financed from employee contributions and investment earnings. Members 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 members are vested after the completion of 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. If a survivor option is chosen, the benefit is reduced.

PERS Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is 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. The benefit 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, at which time the benefit is converted to the member's service retirement amount.

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit 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 if a survivor option is chosen. Plan 1 members may elect to receive an optional 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 2 members are vested after completing 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 credit months. 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.

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 if hired prior to May 1, 2013:

- 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.

PERS Plan 2 members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of 5 percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

PERS Plan 2 benefits are actuarially reduced if a survivor option is chosen.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. AFC is the monthly average of the 60 consecutive highest-paid service credit months. There is no cap on years of service credit, and Plan 3 provides the same COLA as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five 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 June 1, 2003. Plan

3 members are immediately vested in the defined contribution portion of their plan.

Vested 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, and were hired before May 1, 2013, 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.

- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

PERS Plan 3 retirement benefits are actuarially reduced if a survivor option is chosen.

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 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts 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 based on the Consumer Price Index, capped at 3 percent annually.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related 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 or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Director of the Department of Labor and Industries.

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.

From January 1, 2007, through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit is 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.

Newly elected or appointed 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.

Material changes, if any, in PERS benefit provisions for the fiscal year ended June 30, 2013, are listed in the table at the end of this section.

Teachers' Retirement System

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

TRS members 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 members joining the system

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

Legislation passed in 2007 gives TRS members hired on or after July 1, 2007, 90 days to make an irrevocable choice to become a member of TRS Plan 2 or Plan 3. At the end of 90 days, any member who has not made a choice, becomes a member of Plan 3.

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. Therefore, Plan 2/3 is considered to be a single plan for reporting purposes.

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 Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During fiscal year 2013, the rate was 5.5 percent compounded quarterly. Members in TRS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from TRS-covered employment.

TRS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. 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 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement at any age 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) for each year of service credit, up to a maximum of 60 percent. AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two.

TRS Plan 1 members may elect to receive an optional 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, as well as, permanent and temporary disability benefits.

TRS Plan 1 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 a benefit based on their salary and service to date of disability.

TRS Plan 2 retirement benefits are vested after completing 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 credit months. 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.

TRS 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.

TRS Plan 2 members who have 30 or more years of service credit, were hired prior to May 1, 2013, 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.

TRS Plan 2 members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of 5 percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

TRS Plan 2 retirement benefits are actuarially reduced if a survivor option is chosen.

The defined benefit portion of TRS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. AFC is the monthly average of the 60 consecutive highest-paid service credit months. There is no cap on years of service credit, and Plan 3 provides the same COLA as Plan 2.

TRS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44; or after five service credit years earned in TRS Plan 2 by July 1, 1996. Plan 3 members are immediately vested in the defined contribution portion of their plan.

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, were hired prior to May 1, 2013, 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.

- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

TRS Plan 3 retirement benefits are actuarially reduced if a survivor option is chosen.

TRS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts 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 based on the Consumer Price Index, capped at 3 percent annually.

TRS members meeting specific eligibility requirements, have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related 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 or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, 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.

From January 1, 2007, through December 31, 2007, judicial members of TRS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in TRS Plan 1 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit is capped at 75 percent of AFC.

Newly elected or appointed justices and judges who chose to become TRS members on or after January 1, 2007, were required to participate in the JBM Program.

Material changes, if any, in TRS benefit provisions for the fiscal year ended June 30, 2013, are listed in the table at the end of this section.

School Employees' Retirement System

The Legislature established the School Employees' Retirement System (SERS) effective in 2000. Membership in the system includes classified employees of school districts and educational service districts. SERS is comprised principally of non-state agency employees. SERS retirement benefit provisions are established in chapters 41.34 and 41.35 RCW and may be amended only by the 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 defined benefit plan with a defined contribution component.

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.

Until June 30, 2007, SERS members joining the system on or after September 1, 2000 became members of SERS Plan 3. Legislation passed in 2007 gives SERS members

hired on or after July 1, 2007, 90 days to make an irrevocable choice to become a member of either SERS Plan 2 or Plan 3. At the end of the 90 days, any member who has not made a choice, becomes a member of Plan 3.

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. Therefore, Plan 2/3 is considered to be single plan for reporting purposes.

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 the Director of DRS. During fiscal year 2013, the rate was 5.5 percent compounded quarterly. Members in SERS Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from SERS-covered employment.

SERS Plan 2 members are vested after completing 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 average final compensation (AFC) per year of service. AFC is the monthly average of the 60 consecutive highest-paid service credit months. 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.

SERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. 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 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 hired prior to May 1, 2013, 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.

SERS Plan 2 members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

SERS Plan 2 retirement benefits are actuarially reduced if a survivor option is chosen.

The defined benefit portion of SERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. AFC is the monthly average of the 60 consecutive highest-paid service credit months. There is no cap on years of service credit, and Plan 3 provides the same COLA as Plan 2.

Effective June 7, 2006, SERS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five 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, are at least 55 years old, and hired before May 1, 2013, 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.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of five percent for each year before age 65.

SERS Plan 3 retirement benefits are also actuarially reduced if a survivor option is chosen.

SERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts 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 based on the Consumer Price Index, capped at 3 percent annually.

SERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related 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 or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, 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, 2013, 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 commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians.

LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers who were first included effective July 27, 2003, being an exception. LEOFF retirement benefit provisions are established in chapter 41.26 RCW and may be amended only by the Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members 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.

LEOFF 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 legislative appropriations. Employee contributions to the LEOFF Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During fiscal year 2013, the rate was 5.5 percent compounded quarterly. Members in LEOFF Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest earnings upon separation from LEOFF-covered employment.

LEOFF Plan 1 members are vested after the completion of 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 10 years of service. A COLA is granted based on the Consumer Price Index.

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of 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 eligible surviving child, with a limitation on the combined benefit of 60 percent of the FAS; or (2) If no eligible spouse, eligible children receive 30 percent of FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of FAS, divided equally.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Director of the Department of Labor and Industries.

The LEOFF Plan 1 disability benefit 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 benefit or service retirement benefit.

LEOFF Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for retirement at the age of 53 with five years of service, or at age 50 with 20 years of service. Plan 2 members receive a benefit of 2 percent of the FAS per year of service (FAS is based on the highest consecutive 60 months), actuarially reduced to reflect the choice of a survivor option. Members who retire prior to the age of 53 receive reduced benefits. 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. Otherwise, the benefits are actuarially reduced for each year prior to age 53. A COLA is granted based on the Consumer Price Index, capped at 3 percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the FAS for each year of service. Benefits are reduced to reflect the choice of a survivor option and for each year that the member's age is less than 53, unless the disability is duty-related. 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.

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 benefit of at least 10 percent of the FAS and 2 percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

A disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are catastrophically disabled in the line of duty and incapable of future substantial gainful employment in any capacity. 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.

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.

A one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Director of the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of eligible health care insurance premiums.

Legislation passed in 2009 provides to the Washington-state-registered domestic partners of LEOFF Plan 2 members the same treatment as married spouses, to the extent that the treatment is not in conflict with federal laws.

LEOFF members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

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.

Material changes, if any, in LEOFF benefit provisions for the fiscal year ended June 30, 2013, 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 Legislature.

WSPRS is a single-employer defined benefit retirement system. WSPRS members 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 the Director of DRS. During fiscal year 2013, the rate was 5.364 percent annually, compounded monthly. Members 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. The employer 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, and must retire at age 65. This mandatory requirement does not apply to the Chief of the Washington State Patrol.

Effective June 7, 2012, those WSPRS members who have service credit within PERS Plan 2 have options to transfer their service credit earned as commercial vehicle enforcement officers or as communications officers into the WSPRS, provided the member pays the full actuarial cost of the transfer.

The monthly benefit is 2 percent of the average final salary (AFS) per year of service, capped at 75 percent. A cost-of-living allowance is granted, based on the Consumer Price Index, capped at 3 percent annually.
For WSPRS Plan 1 members, AFS is based on the average of the 24 highest-paid service credit months and excludes voluntary overtime. Death benefits for these members, if on active duty, consist of the following: (1) If eligible spouse, 50 percent of the AFS, plus 5 percent of the AFS for each eligible surviving child, with a limitation on the combined benefit 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, or (3) If no spouse or eligible children, beneficiary gets refund of contributions and interest.

For WSPRS Plan 2 members, AFS is based on the average of the 60 consecutive highest-paid service credit months and excludes both voluntary overtime and cash-outs of annual and holiday leave. At retirement, these members also have the option of selecting an actuarially reduced benefit in order to provide for post-retirement survivor benefits.

WSPRS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

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 one-time duty-related death benefit is provided to the estate (or duly designated nominee) of a WSPRS member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Director of the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of WSPRS members killed in the course of employment include the payment of on-going eligible health care insurance premiums.

Compensation for members of WSPRS Plans 1 and 2 who become totally disabled in the line of duty includes any payments for premiums for employer-provided medical insurance.

Legislation passed in 2009 provides to the Washington-state-registered domestic partners of WSPRS members the same treatment as married spouses, to the extent that the treatment is not in conflict with federal laws.

Material changes, if any, in WSPRS benefit provisions for the fiscal year ended June 30, 2013, 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 retirement benefit provisions are established by chapter 41.37 RCW and may be amended only by the 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 hired by a covered employer before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership

during the 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, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol;

- Washington state counties;

- Corrections departments of Washington state cities except for Seattle, Tacoma, and Spokane; and,

- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

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 plan accrue interest at a rate specified by the Director of DRS. During fiscal year 2013, the rate was 5.5 percent compounded quarterly. Members in PSERS Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from PSERS-covered employment.

PSERS members are vested after an employee completes five years of eligible service. PSERS members may retire with a monthly benefit of 2 percent of the average final compensation (AFC) at the age 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, or at age 53 with 20 years of service. AFC is the monthly average of the member's 60 consecutive highest-paid service credit months. 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.

PSERS members who retire 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.

PSERS Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The monthly benefit amount is 2 percent of the AFC for each year of service. AFC is based on the member's 60 consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member's age is less than 60 (with 10 or more service credit years in PSERS), or less than 65 (with fewer than 10 service credit years). 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.

PSERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

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

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, in PSERS benefit provisions for the fiscal year ended June 30, 2013, 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, pursuant to chapter 2.12 RCW, to provide retirement benefits to judges elected or appointed to the Supreme Court, Court of Appeals, and Superior Courts of the state of Washington. The system was closed to new entrants on August 8, 1971, with new judges joining the Judicial Retirement System. Judges'

retirement benefit provisions are established in chapter 2.12 RCW and may be amended only by the Legislature.

Judges' Retirement Fund is a single-employer defined benefit retirement system. There are currently no active members in this plan. Retirement benefits are financed on a pay-as-you-go basis from a combination of investment earnings and employer contributions.

Material changes, if any, in benefit provisions for Judges for the fiscal year ended June 30, 2013, 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. JRS retirement benefit provisions are established in chapter 2.10 RCW and may be amended only by the Legislature.

JRS is a single-employer defined benefit retirement system. JRS retirement benefits are financed on a pay-as-you-go basis from a combination of investment earnings, employer contributions, and employee contributions.

Employee contributions to the plan accrue interest at a rate specified by the Director of DRS. During fiscal year 2013, the rate on employee contributions was 5.5 percent compounded quarterly. JRS members who are vested in the plan may not elect to withdraw their contributions upon termination.

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 final average salary (FAS) is shown in the table below. This benefit is capped at 75 percent of FAS, exclusive of cost-of-living increases.

Term of Service	Percent of FAS
15+	3.5%
10-14	3.0%

Death and disability benefits are also provided. Eligibility for death benefits while on active duty requires 10 or more years of service. A monthly spousal benefit is provided which is equal to 50 percent of the benefit that the 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 FAS. For members with 10 or more years of service, a disability benefit of 50 percent of FAS is provided.

Material changes, if any, in JRS benefit provisions for the fiscal year ended June 30, 2013, 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 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 state 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 $214,000. 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 injured while 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 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.

Effective July 22, 2007, vocational rehabilitation may be paid for disabled members who are unable to return to their previous employment. Members who 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 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 June 7, 2012 at any time prior to retirement or at the time of retirement, a member of the VFFRPF may purchase retirement pension coverage for years of eligible service prior to the member's enrollment in the system or for years of service credit lost due to the withdrawal of the member's pension fee contributions. A member choosing to purchase such retirement pension coverage must make a contribution to the system equal to the actuarial value of the resulting benefit increase.

Material changes, if any, in VFFRPF benefit provisions for the fiscal year ended June 30, 2013, are listed in the table at the end of this section.

Material Legislative Changes to Pension Plans
For the Fiscal Year Ended June 30, 2013

System/Plan Affected	Effective Date	Description of the changes
All systems, plans	6/7/12*	This legislation allows same-gender couples to marry, and automatically converts certain domestic partnerships to marriages unless the couple marries or dissolves the partnership before June 30, 2014. Under the provisions of this bill, survivor benefits may be available to certain members of the state's retirement systems sooner than under current law. (Chapter 3, Laws of 2012) * This law was on hold pending the results of the referendum which passed in November, 2012.

C. FUNDING POLICIES

All employers are required to contribute at the level established by the Legislature. 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 2013.

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. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

- Plan 1 - Employee contribution rates 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.

- Plan 2/3 - 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.

- Plan 3 – The employee contribution rates range from 5 to 15 percent, based on member choice.

As a result of the implementation of the Judicial Benefit Multiplier (JBM) Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges who participate in the program.

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. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.32 and 41.45 RCW.

- Plan 1 - Employee contribution rates 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.

- Plan 2/3 – 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.

- Plan 3 – The employee contribution rates range from 5 to 15 percent, based on member choice.

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 the increased retirement benefits of those judges who participate in the program.

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 methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.35 and 41.45 RCW.

- Plan 2/3 – 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.

- Plan 3 – The employee contribution rates range from 5 to 15 percent, based on member choice.

Law Enforcement Officers' and Fire Fighters' Retirement System

Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plans. Starting on July 1, 2000, Plan 1 employers and employees contribute zero percent, as long as the plan remains fully funded. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations 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 2013, the state contributed $54.2 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, subject to revision by the Legislature. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 43.43 and 41.45 RCW.

The preliminary 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.

Public Safety Employees' Retirement System

Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.37 and 41.45 RCW.

The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2.

Judges' Retirement Fund

There are no active members remaining in the Judges' Retirement Fund. Past contributions were made based on rates set in chapter 2.12 RCW. By statute, employees were required to contribute 6.5 percent with an equal amount contributed by the state.

The state guarantees the solvency of the Judges' Retirement Fund on a pay-as-you-go basis. Each biennium, the Legislature, through appropriations from the state General Fund, contributes amounts sufficient to meet benefit payment requirements. For fiscal year 2013, no such appropriations or contributions were made.

Judicial Retirement System

There are no active members remaining in the Judicial Retirement System. Past contributions were made based on rates set in chapter 2.10 RCW. By statute, employees were required to contribute 7.5 percent with an equal amount contributed by the state.

The state guarantees the solvency of the Judicial Retirement System on a pay-as-you-go basis. Each biennium, the Legislature, through appropriations from the state General Fund, contributes amounts sufficient to meet benefit payment requirements. For fiscal year 2013, the state contributed $10.1 million.

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, per chapter

41.24 RCW. For fiscal year 2013, the insurance premium tax contribution was $6.0 million.

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 2011, 2012, and 2013. 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 2013, 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 2013 were as follows:

Required Contribution Rates	Employer			Employee		
	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 3
PERS						
Members Not Participating in JBM						
State agencies*	7.21%	7.21%	7.21%**	6.00%	4.64%	***
Local governmental units*	7.21%	7.21%	7.21%**	6.00%	4.64%	***
State govt elected officials*	10.74%	7.21%	7.21%**	7.50%	4.64%	***
Members Participating in JBM						
State agencies*	9.71%	9.71%	9.71%**	9.76%	9.10%	7.50%****
Local governmental units*	7.21%	7.21%	7.21%**	12.26%	11.60%	7.50%****
TRS						
Members Not Participating in JBM						
State agencies*	8.05%	8.05%	8.05%**	6.00%	4.69%	***
Local governmental units*	8.05%	8.05%	8.05%**	6.00%	4.69%	***
State govt elected officials*	8.05%	8.05%	8.05%**	7.50%	4.69%	***
Members Participating in JBM						
State agencies*	8.05%	N/A	N/A	9.76%	N/A	N/A
SERS						
State agencies*	N/A	7.59%	7.59%**	N/A	4.09%	***
Local governmental units*	N/A	7.59%	7.59%**	N/A	4.09%	***
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*	8.07%	8.07%	N/A	6.59%	6.59%	N/A
PSERS						
State agencies*	N/A	8.87%	N/A	N/A	6.36%	N/A
Local governmental units*	N/A	8.87%	N/A	N/A	6.36%	N/A
JRS						
State agencies*	7.50%	N/A	N/A	7.50%	N/A	N/A

* 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.

N/A indicates data not applicable.

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.

Plans	2013	2012	2011
PERS Plan 1	$ 125.6	$ 124.0	$ 72.3
PERS Plan 2/3	182.9	182.8	158
TRS Plan 1	3.7	3.1	4.4
TRS Plan 2/3	1.2	1.1	0.7
PSERS Plan 2	7.5	7.4	8.0
LEOFF Plan 2	54.2	52.8	52.9
VFFRPF	6.0	5.6	5.7

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, 2012, the most recent actuarial valuation date, is as follows (dollars in millions):

Plans	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	$ 8,520.6	$ 12,359.7	$ 3,839.0	69%	$ 370.8	1035%
PERS Plan 2/3*	22,652.6	22,779.9	127.4	99%	8,192.6	2%
TRS Plan 1	7,144.5	9,038.4	1,893.9	79%	228.5	829%
TRS Plan 2/3*	7,757.9	7,478.2	(279.7)	104%	4,076.9	0%
SERS Plan 2/3*	3,100.3	3,103.3	3.0	100%	1,478.8	0%
LEOFF Plan 1	5,561.6	4,120.3	(1,441.2)	135%	18.8	0%
LEOFF Plan 2*	7,221.9	6,352.9	(869.0)	114%	1,560.1	0%
WSPRS Plan 1/2*	981.7	884.2	(97.5)	111%	80.2	0%
PSERS Plan 2*	180.5	158.7	(21.8)	114%	238.0	0%
JRS	3.5	104.0	100.5	3%	0.3	33779%
Judges	1.9	3.6	1.7	52%	N/A	N/A
VFFRPF	170.3	170.3	-	100%	N/A	N/A

N/A indicates data not applicable.

Note: Figures may not total due to rounding. Percentages are calculated using unrounded totals.

* 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, 2013

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	6/30/2012	6/30/2012	6/30/2012	6/30/2012	6/30/2012
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 [5]	8-year graded smoothed fair value [5]	8-year graded smoothed fair value [5]	8-year graded smoothed fair value [5]	8-year graded smoothed fair value [5]
Actuarial assumptions					
Investment rate of return [7]	7.90%	7.90%	7.90%	7.90%	7.90%
Projected salary increases					
Salary inflation at 3.75%, plus the merit increases described below:					
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 cost of living adjustments	N/A Minimum COLA [6]	3.00% CPI increase, maximum 3%	N/A Minimum COLA [6]	3.00% CPI increase, maximum 3%	3.00% 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] 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% and LEOFF Plan 2 around 7.5%.

Annual Gain/Loss			Annual Gain/Loss		
Rate of Return	Smoothing Period	Annual Recognition	Rate of Return	Smoothing Period	Annual Recognition
14.9% and Up	8 years	12.50%	5.9-6.9%	2 years	50.00%
13.9-14.9%	7 years	14.29%	4.9-5.9%	3 years	33.33%
12.9-13.9%	6 years	16.67%	3.9-4.9%	4 years	25.00%
11.9-12.9%	5 years	20.00%	2.9-3.9%	5 years	20.00%
10.9-11.9%	4 years	25.00%	1.9-2.9%	6 years	16.67%
9.9-10.9%	3 years	33.33%	1.9-2.9%	7 years	14.29%
8.9-9.9%	2 years	50.00%	0.9% and lower	8 years	12.50%
6.9-8.9%	1 year	100.00%			

LEOFF Plan 1	LEOFF Plan 2	PSERS Plan 2	WSPRS	JRS	Judges	VFFRPF
6/30/2012	6/30/2012	6/30/2012	6/30/2012	6/30/2012	6/30/2012	6/30/2012
Frozen initial liability [1]	Aggregate [2]	Aggregate [2]	Aggregate [2]	Entry age [3]	Entry age [3]	Entry age
Level % [4]	N/A	N/A	N/A	N/A	N/A	Level $
Level $	N/A	N/A	N/A	Level $	Level $	Level $
12	Open plan	Open plan	Open plan	5-year rolling	5-year rolling	Open plan
6/30/2024	N/A	N/A	N/A	N/A	N/A	15-year rolling
8-year graded smoothed fair value [5]	8-year graded smoothed fair value [5]	8-year graded smoothed fair value [5]	8-year graded smoothed fair value [5]	Market	Market	8-year graded smoothed fair value [5]
7.90%	7.50%	7.90%	7.90%	4.00%	4.00%	7.00%
11.0%	11.0%	6.1%	7.1%	0.0%	0.0%	N/A
21 yrs	21 yrs	17 yrs	26 yrs	N/A	N/A	N/A
3.00% CPI increase	3.00% CPI increase maximum 3%	3.00% CPI increase, maximum 3%	3.00% CPI increase, maximum 3%	3.00% CPI increase, maximum 3%	3.00% None	N/A None

[6] 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 minimum COLA amount increased by 3%, rounded to the nearest penny. These are some historical monthly COLA amounts per year of service:

Date	COLA Type	Amount
7/1/2009	Uniform	$1.83
7/1/2010	Uniform	$1.88
7/1/2011	Minimum	$1.94
7/1/2012	Minimum	$2.00
7/1/2013	Minimum	$2.06

[7] The Legislature prescribes the assumed rate of investment return for all plans except Judicial, Judges, and VFFRPF.

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 defined benefit plans are as follows (dollars in millions):

Annual Pension Cost and Net Pension Obligation	WSPRS	JRS	Judges
Annual required contribution	$2.5	$21.7	$0.4
Interest on NPO	(1.3)	2.8	(0.0)
Adjustment to annual required contribution	2.1	(15.3)	0.1
Annual pension cost	3.3	9.2	0.5
Less: Contributions made	6.5	10.1	0.0
Increase (decrease) in NPO	(3.2)	(0.9)	0.5
NPO at beginning of year	(16.8)	71.0	(0.4)
NPO at end of year	$(20.0)	$70.1	$0.1

G. THREE YEAR HISTORICAL TREND INFORMATION

The following table presents three-year trend information for the state's single employer defined benefit plans (dollars in millions):

Single Employer Plans	2013	2012	2011
WSPRS			
Annual pension cost	$3.3	$3.6	$2.8
% of APC contributed	197.0	180.6	187.5
NPO	$(20.0)	$(16.8)	$(13.9)
JRS			
Annual pension cost	$9.2	$10.5	$7.7
% of APC contributed	109.8	77.1	141.6
NPO	$70.1	$71.0	$68.6
Judges			
Annual pension cost	$0.5	$0.4	$0.3
% of APC contributed	0.0	0.0	0.0
NPO	$0.1	($0.4)	($0.8)

There are no long-term contracts for contributions for any of the retirement plans administered by the state.

H. HIGHER EDUCATION RETIREMENT PLAN SUPPLEMENTAL DEFINED BENEFIT PLAN

The higher education defined contribution retirement plans have a supplemental payment component which guarantees a minimum retirement benefit based upon a one-time calculation at each employee's retirement date. The supplemental component is financed on a pay-as-you-go basis. State institutions of higher education make direct payments to qualifying retirees when the retirement benefits provided by the fund sponsors do not meet the benefit goals.

An actuarial valuation of the supplemental component of the Higher Education Retirement plans was done at the end of fiscal year 2013. The previous valuation was performed in 2011.

The Unfunded Actuarial Accrued Liability (UAL) calculated as of June 30, 2013, and 2011, was $459.5 million and $357.4 million, respectively, and is amortized over an 11 year period. The Annual Required Contribution (ARC) of $63.7 million includes

amortization of the UAL ($44.3 million) and normal cost (or current cost) ($18.2 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 7.3 percent and projected salary increases ranging from 2 to 4 percent. Approximately $1.76 billion and $1.91 billion of payroll were covered under these plans during 2013 and 2011, respectively.

A 0.25 percent of pay employer contribution rate was initiated in January 1, 2012 for employees covered by higher education retirement plans. The contributions are deposited in the Higher Education Retirement Plan Supplemental Benefit Fund administered by the Department of Retirement Systems and invested by the Washington State Investment Board. The contribution rate increased to 0.5 percent of pay beginning January 1, 2013. The Higher Education Retirement Plan Supplemental Benefit Fund was not created as a pension trust fund and is reported by the state as an administrative account in the General Fund.

The following table reflects the activity in the Net Pension Obligation (NPO) for the years ended June 30 (expressed in millions):

Net Pension Obligation	2013	2012	2011
Annual required contribution	$ 63.7	$ 49.8	$ 49.8
Payments to beneficiaries	(4.9)	(4.1)	(3.7)
Increase (decrease) in NPO	58.8	45.7	46.1
NPO at beginning of year	211.4	165.7	119.6
NPO at end of year	$ 270.2	$ 211.4	$ 165.7

I. CHANGES IN ACTUARIAL ASSUMPTIONS AND METHODS

There were no changes in actuarial assumptions for the fiscal year 2013 reporting period.

The method for the entry age normal cost as a level percentage was changed to spread over the member's career rather than the period from entry to the last decrement age where each benefit is available.

The method for the entry age used in the entry age normal calculation was changed to the age the member entered into the current plan rather than the age the member entered service in any state plan.

J. CHANGES IN BENEFIT PROVISIONS

There were no changes in benefit provisions for the fiscal year 2013 reporting period.

K. 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). 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 a 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 dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 contributions are invested in the Retirement Strategy Fund that assumes the member will retire at age 65.

For fiscal year 2013, covered payroll was $1.50 billion, employee contributions required and made were $99.0 million, and plan refunds paid out were $69.4 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). 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 a 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. Members who do not choose a contribution rate default to a 5 percent rate. 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 dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, TRS Plan 3 investments are made in the retirement strategy fund that assumes the member will retire at age 65.

For fiscal year 2013, covered payroll was $3.46 billion, employee contributions required and made were $262.3 million and plan refunds paid out were $177.6 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). 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 a 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. Members who do not choose a contribution rate default to a 5 percent rate. 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 dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, SERS Plan 3 investments are made in the retirement strategy fund that assumes the member will retire at age 65.

For fiscal year 2013, covered payroll was $903 million, employee contributions required and made were $59.3 million and plan refunds paid out were $66.1 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 (AOC), 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. At June 30, 2013, there were seven active members and 157 inactive members in JRA. The state, through the AOC, is the sole participating employer.

From 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 (JBM) Program. Beginning January 1, 2007, any newly elected or appointed Supreme Court justice, Court of Appeals judge or Superior Court judge could no longer participate in JRA and would be enrolled in the JBM Program (enacted in 2006).

JRA plan members are required to contribute 2.5 percent of covered salary. The state, as employer, contributes an equal amount on a monthly basis. 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 Legislature.

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 is to be paid to the member's estate, or such person or persons, trust or organization as the member has nominated by written designation.

For fiscal year 2013, covered payroll was $1.1 million and the contribution requirement was $63,198. Actual employer and employee contributions were $31,599 and $31,599 respectively. Plan benefits paid out for fiscal year 2013 totaled $1.1 million.

The Administrator of JRA has entered an agreement with DRS for accounting and reporting services, and the Washington State Investment Board (WSIB) for investment services. Under this agreement, DRS is responsible for all record keeping, accounting, and reporting of member accounts and the WSIB is granted the full power to establish investment policy, develop participant investment options and manage the investment funds for the JRA plan, consistent with the provisions of RCW 2.14.080 and 43.84.150.

Higher Education Retirement Plans

The Higher Education Retirement Plans are privately administered defined contribution plans with a

supplemental defined benefit plan component. The state and regional universities, the state college, the state community and technical colleges and the Student Achievement Council each participate in a plan. As authorized by chapter 28B.10 RCW, the plans cover faculty and other positions as designated by each participating employer.

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 28B.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, the state board for community colleges, and the Student Achievement Council.
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 2013, covered payroll was $2.16 billion. Employer and employee contributions were $169.5 and $169.5 million respectively, for a total of $339.0 million. These contribution amounts represent approximately 7.86 percent each of covered payroll for employers and employees.

L. PLAN NET POSITION AND CHANGES IN PLAN NET POSITION

The Combining Statement of Plan Net Position that follows presents the principal components of receivables, investments, and liabilities. The Combining Statement of Changes in Plan Net Position presents the additions and deductions to plan net position.

Combining Statement of Plan Net Position
Pension and Other Employee Benefit Funds

June 30, 2013

(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
ASSETS					
Cash and pooled investments	$ 932	$ 4,151	$ 327	$ 813	$ 5,556
Receivables:					
Employer accounts receivable	3,152	47,762	4,671	1,740	26,086
Member accounts receivable (net of allowance)	732	241	-	199	27
Due from other pension and other employee benefit funds	37	61	671	201	306
Interest and dividends	21,618	68,832	3,310	18,036	23,736
Investment trades pending	179,772	572,656	27,538	149,987	197,465
Total Receivables	205,311	689,552	36,190	170,163	$ 247,620
Investments, Noncurrent:					
Public equity	2,775,713	8,841,941	1,250,196	2,315,826	3,048,883
Fixed income	1,525,839	4,860,510	233,731	1,273,034	1,676,004
Private equity	1,737,748	5,535,538	266,191	1,449,833	1,908,767
Real estate	1,014,689	3,232,257	155,432	846,573	1,114,549
Security lending	129,457	412,382	19,831	108,008	142,198
Liquidity	166,659	530,466	30,660	138,443	189,071
Tangible assets	111,622	355,569	17,099	93,128	122,608
Total Investments, Noncurrent	7,461,727	23,768,663	1,973,140	6,224,845	8,202,080
Total Assets	7,667,970	24,462,366	2,009,657	6,395,821	8,455,256
LIABILITIES					
Obligations under security lending agreements	129,999	412,381	20,215	108,405	142,198
Accrued liabilities	190,780	590,057	31,357	159,890	203,604
Due to other pension and other employee benefit funds	236	671	-	-	201
Unearned revenues	192	196	-	66	26
Total Liabilities	321,207	1,003,305	51,572	268,361	346,029
NET POSITION					
Net position held in trust for:					
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 167)	7,346,763	23,459,061	1,958,085	6,127,460	8,109,227
Deferred compensation participants	-	-	-	-	-
Total Net Position	$ 7,346,763	$ 23,459,061	$ 1,958,085	$ 6,127,460	$ 8,109,227

Combining Statement of Plan Net Position
Pension and Other Employee Benefit Funds

June 30, 2013

(expressed in thousands)

continued

	TRS Plan 3 Defined Contribution	SERS Plan 2/3 Defined Benefit	SERS Plan 3 Defined Contribution	LEOFF Plan 1	LEOFF Plan 2
ASSETS					
Cash and pooled investments	$ 4,536	$ 3,397	$ 1,059	$ 293	$ 1,022
Receivables:					
Employer accounts receivable	22,350	9,745	5,028	545	13,692
Member accounts receivable (net of allowance)	-	19	-	158	52
Due from other pension and other employee benefit funds	-	376	-	-	-
Interest and dividends	10,318	9,404	3,066	15,120	22,386
Investment trades pending	85,832	78,236	25,504	125,763	186,238
Total Receivables	118,500	97,780	33,598	141,586	222,368
Investments, Noncurrent:					
Public equity	3,661,769	1,207,960	764,117	1,941,801	2,875,545
Fixed income	728,509	664,029	216,468	1,067,429	1,580,718
Private equity	829,685	756,249	246,531	1,215,674	1,800,248
Real estate	484,461	441,582	143,952	709,844	1,051,183
Security lending	61,809	56,338	18,366	90,564	134,113
Liquidity	95,357	73,126	27,390	114,735	182,365
Tangible assets	53,294	48,577	15,836	78,087	115,637
Total Investments, Noncurrent	5,914,884	3,247,861	1,432,660	5,218,134	7,739,809
Total Assets	6,037,920	3,349,038	1,467,317	5,360,013	7,963,199
LIABILITIES					
Obligations under security lending agreements	62,278	56,338	18,578	90,714	134,205
Accrued liabilities	91,755	80,795	30,072	129,525	191,361
Due to other pension and other employee benefit funds	306	-	201	-	-
Unearned revenues	-	1	-	-	245
Total Liabilities	154,339	137,134	48,851	220,239	325,811
NET POSITION					
Net position held in trust for:					
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 167)	5,883,581	3,211,904	1,418,466	5,139,774	7,637,388
Deferred compensation participants	-	-	-	-	-
Total Net Position	$ 5,883,581	$ 3,211,904	$ 1,418,466	$ 5,139,774	$ 7,637,388

Combining Statement of Plan Net Position
Pension and Other Employee Benefit Funds

June 30, 2013

(expressed in thousands)

continued

	WSPRS Plan 1/2	PSERS Plan 2	JRS	JRA	Judges
ASSETS					
Cash and pooled investments	$ 721	$ 286	$ 3,936	$ 212	$ 1,400
Receivables:					
Employer accounts receivable	521	1,880	-	-	-
Member accounts receivable (net of allowance)	2	-	-	2	-
Due from other pension and other employee benefit funds	-	-	-	-	-
Interest and dividends	2,807	652	-	-	-
Investment trades pending	23,350	5,419	1	-	-
Total Receivables	26,680	7,951	1	2	-
Investments, Noncurrent:					
Public equity	360,519	83,676	-	12,269	-
Fixed income	198,182	45,998	-	-	-
Private equity	225,705	52,386	-	-	-
Real estate	131,791	30,589	-	-	-
Security lending	16,815	3,903	-	-	-
Liquidity	21,646	7,487	155	8	54
Tangible assets	14,498	3,365	-	-	-
Total Investments, Noncurrent	969,156	227,404	155	12,277	54
Total Assets	996,557	235,641	4,092	12,491	1,454
LIABILITIES					
Obligations under security lending agreements	16,867	3,917	174	9	60
Accrued liabilities	24,177	5,580	34	203	2
Due to other pension and other employee benefit funds	-	37	-	-	-
Unearned revenues	-	-	-	-	-
Total Liabilities	41,044	9,534	208	212	62
NET POSITION					
Net position held in trust for:					
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 167)	955,513	226,107	3,884	12,279	1,392
Deferred compensation participants	-	-	-	-	-
Total Net Position	$ 955,513	$ 226,107	$ 3,884	$ 12,279	$ 1,392

Combining Statement of Plan Net Position
Pension and Other Employee Benefit Funds

June 30, 2013

(expressed in thousands) concluded

	VFFRPF	Deferred Compensation	Total
ASSETS			
Cash and pooled investments	$ 8,289	$ 3,961	$ 40,891
Receivables:			
Employer accounts receivable	-	-	137,172
Member accounts receivable (net of allowance)	-	1,192	2,624
Due from other pension and other employee benefit funds	-	-	1,652
Interest and dividends	497	-	199,782
Investment trades pending	4,143	1	1,661,905
Total Receivables	4,640	1,193	2,003,135
Investments, Noncurrent:			
Public equity	63,832	3,199,614	32,403,661
Fixed income	35,089	-	14,105,540
Private equity	39,962	-	16,064,517
Real estate	23,334	-	9,380,236
Security lending	2,977	-	1,196,761
Liquidity	4,039	151	1,581,812
Tangible assets	2,567	-	1,031,887
Total Investments, Noncurrent	171,800	3,199,765	75,764,414
Total Assets	184,729	3,204,919	77,808,440
LIABILITIES			
Obligations under security lending agreements	3,335	169	1,199,842
Accrued liabilities	4,260	2,892	1,736,344
Due to other pension and other employee benefit funds	-	-	1,652
Unearned revenues	-	-	726
Total Liabilities	7,595	3,061	2,938,564
NET POSITION			
Net position held in trust for:			
Pension Benefits (Schedule of Funding Progress by Plan begins on Page 167)	177,134	-	71,668,018
Deferred compensation participants	-	3,201,858	3,201,858
Total Net Position	$ 177,134	$ 3,201,858	$ 74,869,876

Combining Statement of Changes in Plan Net Position
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2013

(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
ADDITIONS					
Contributions:					
Employers	$ 266,270	$ 389,020	$ -	$ 118,569	$ 228,975
Members	29,289	335,586	99,007	16,157	35,846
State	-	-	-	-	-
Participants	-	-	-	-	-
Total Contributions	295,559	724,606	99,007	134,726	264,821
Investment Income:					
Net appreciation (depreciation) in fair value	685,103	2,018,298	177,137	572,037	693,242
Interest and dividends	206,500	622,516	30,567	172,394	213,759
Less: investment expenses	(28,418)	(84,685)	(4,796)	(23,725)	(29,438)
Net investment income (loss)	863,185	2,556,129	202,908	720,706	877,563
Transfers from other pension plans	38	292	1,539	-	34
Other additions	-	-	-	-	-
Total Additions	1,158,782	3,281,027	303,454	855,432	1,142,418
DEDUCTIONS					
Pension benefits	1,181,381	460,771	-	914,609	118,231
Pension refunds	3,998	34,982	69,368	1,989	1,345
Transfers to other pension plans	17	3,832	428	-	315
Administrative expenses	759	676	-	618	67
Distributions to participants	-	-	-	-	-
Total Deductions	1,186,155	500,261	69,796	917,216	119,958
Net Increase (Decrease)	(27,373)	2,780,766	233,658	(61,784)	1,022,460
Net Position - Beginning	7,374,136	20,678,295	1,724,427	6,189,244	7,086,767
Net Position - Ending	$ 7,346,763	$ 23,459,061	$ 1,958,085	$ 6,127,460	$ 8,109,227

Combining Statement of Changes in Plan Net Position
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2013

(expressed in thousands)

continued

	TRS Plan 3 Defined Contribution	SERS Plan 2/3 Defined Benefit	SERS Plan 3 Defined Contribution	LEOFF Plan 1	LEOFF Plan 2
ADDITIONS					
Contributions:					
Employers	$ -	$ 78,399	$ -	$ 556	$ 82,397
Members	262,293	26,727	59,258	1,436	143,777
State	-	-	-	-	54,246
Participants	-	-	-	-	-
Total Contributions	262,293	105,126	59,258	1,992	280,420
Investment Income:					
Net appreciation (depreciation) in fair value	547,836	275,636	123,072	464,542	651,033
Interest and dividends	94,618	84,986	28,192	141,271	201,350
Less: investment expenses	(14,711)	(11,664)	(4,072)	(19,339)	(28,243)
Net investment income (loss)	627,743	348,958	147,192	586,474	824,140
Transfers from other pension plans	839	5	466	-	1,833
Other additions	-	-	-	-	-
Total Additions	890,875	454,089	206,916	588,466	1,106,393
DEDUCTIONS					
Pension benefits	-	66,890	-	351,796	100,532
Pension refunds	177,621	2,191	66,107	14	8,677
Transfers to other pension plans	522	315	190	-	2
Administrative expenses	-	63	-	76	291
Distributions to participants	-	-	-	-	-
Total Deductions	178,143	69,459	66,297	351,886	109,502
Net Increase (Decrease)	712,732	384,630	140,619	236,580	996,891
Net Position - Beginning	5,170,849	2,827,274	1,277,847	4,903,194	6,640,497
Net Position - Ending	$ 5,883,581	$ 3,211,904	$ 1,418,466	$ 5,139,774	$ 7,637,388

Combining Statement of Changes in Plan Net Position
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

continued

	WSPRS Plan 1/2	PSERS Plan 2	JRS	JRA	Judges
ADDITIONS					
Contributions:					
Employers	$ 6,478	$ 15,649	$ 10,112	$ 32	$ -
Members	6,567	15,879	12	32	-
State	-	-	-	-	-
Participants	-	-	-	-	-
Total Contributions	13,045	31,528	10,124	64	-
Investment Income:					
Net appreciation (depreciation) in fair value	84,358	17,633	(24)	950	(9)
Interest and dividends	25,827	5,585	14	84	5
Less: investment expenses	(3,523)	(750)	-	(18)	-
Net investment income (loss)	106,662	22,468	(10)	1,016	(4)
Transfers from other pension plans	575	4	-	-	-
Other additions	-	-	-	2	-
Total Additions	120,282	54,000	10,114	1,082	(4)
DEDUCTIONS					
Pension benefits	43,521	148	9,698	1,071	474
Pension refunds	304	2,186	-	-	-
Transfers to other pension plans	-	4	-	-	-
Administrative expenses	28	1	-	-	-
Distributions to participants	-	-	-	-	-
Total Deductions	43,853	2,339	9,698	1,071	474
Net Increase (Decrease)	76,429	51,661	416	11	(478)
Net Position - Beginning	879,084	174,446	3,468	12,268	1,870
Net Position - Ending	$ 955,513	$ 226,107	$ 3,884	$ 12,279	$ 1,392

Combining Statement of Changes in Plan Net Position
Pension and Other Employee Benefit Funds

For the Fiscal Year Ended June 30, 2013
(expressed in thousands)

concluded

	VFFRPF	Deferred Compensation	Total
ADDITIONS			
Contributions:			
Employers	$ 988	$ -	$ 1,197,445
Members	108	-	1,031,974
State	5,958	-	60,204
Participants	-	182,305	182,305
Total Contributions	7,054	182,305	2,471,928
Investment Income:			
Net appreciation (depreciation) in fair value	14,597	249,204	6,574,645
Interest and dividends	4,536	18,657	1,850,861
Less: investment expenses	(613)	(4,473)	(258,468)
Net investment income (loss)	18,520	263,388	8,167,038
Transfers from other pension plans	-	-	5,625
Other additions	-	526	528
Total Additions	25,574	446,219	10,645,119
DEDUCTIONS			
Pension benefits	10,388	-	3,259,510
Pension refunds	24	-	368,806
Transfers to other pension plans	-	-	5,625
Administrative expenses	1,870	-	4,449
Distributions to participants	-	178,638	178,638
Total Deductions	12,282	178,638	3,817,028
Net Increase (Decrease)	13,292	267,581	6,828,091
Net Position - Beginning	163,842	2,934,277	68,041,785
Net Position - Ending	$ 177,134	$ 3,201,858	$ 74,869,876

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), 54 of the state's K-12 schools and educational service districts (ESDs), and 207 political subdivisions and tribal governments. Additionally, the PEBB plan is available to the retirees of the remaining 243 K-12 schools and ESDs. As of June 2013, membership in the PEBB plan consisted of the following:

	Active Employees	Retirees [1]	Total
State	107,003	28,633	135,636
K-12 schools and ESDs [2]	1,838	30,354	32,192
Political subdivisions	11,840	1,392	13,232
Total	120,681	60,379	181,060

[1] Retirees include retired employees, surviving spouses, and terminated members entitled to a benefit.
[2] In fiscal year 2013, there were 101,189 full-time equivalent active employees in the 243 K-12 schools and ESDs that elected to limit participation in PEBB only to their retirees.

For fiscal year 2013, the estimated monthly cost for PEBB benefits for active employees (average across all plans and tiers) is as follows:

Required Premium [3]	
Medical	$ 913
Dental	82
Life	4
Long-term disability	2
Total	$1,001
Employer contribution	$ 865
Employee contribution	136
Total	$1,001

[3] Per 2013 Index Rate Model 7.2.

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 2012, the average weighted implicit subsidy was valued at $330 per member per month, and in calendar year 2013, the average weighted implicit subsidy is projected to be $294 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 HCA administrator recommends an amount for the next calendar year's explicit subsidy for inclusion in the Governor's budget. In calendar year 2012, the explicit subsidy was $150 per member per month, and it remained $150 per member per month in calendar year 2013.

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 2013, the cost of the subsidies was approximately 6.0 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 employer's 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 2013, the amount contributed to the plan, and changes in the state's Net OPEB Obligation (NOO) (expressed in thousands):

Annual required contribution	$ 342,283
Interest on Net OPEB Obligation	53,434
Amortization of Net OPEB Obligation	(48,684)
Annual OPEB cost (expense)	347,033
2012 Adjustment	56,476
Contributions made	(69,114)
Increase in Net OPEB Obligation	334,394
Net OPEB Obligation - beginning of year	1,279,381
Net OPEB Obligation - end of year*	$1,613,775
*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 2011, 2012, and 2013 were as follows (expressed in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/13	$347,033	19.9%	$1,613,775
6/30/12	330,286	23.8%	1,279,381
6/30/11	328,568	23.9%	1,027,767

Funded Status and Funding Progress

The funded status of the plan as of January 1, 2013, the latest date for which information is available, was as follows (expressed in thousands):

Actuarial accrued liability (AAL)	$3,706,856
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	$3,706,856

Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	$5,786,960
UAAL as a percentage of covered payroll	64.1%

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, 2013
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	4.0%
Projected salary increases	3.75%
Health care inflation rate	8.0% initial rate, 5.0% ultimate rate in 2093
Inflation rate	3.0%

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 $2.82 billion at June 30, 2013.

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 2013 are (in thousands):

General Fund	$ 41,541
Higher Education Special Revenue Fund	2,133
Nonmajor Governmental Funds	335,855

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. In addition, 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. This summary considers significant litigation not covered by tort insurance. Tort case liabilities are disclosed in Note 7E, Claims and Judgments, Risk Management.

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 basic education; inadequate funding for care of foster children, the disabled and elderly; and inadequate funding for the provision of, daily personal care, medical and mental health services to children, the elderly and the disabled. Collective claims in these programmatic and service cases exceed $551 million exclusive of the basic education case, which could be substantial but is difficult to quantify at this juncture. In addition, adverse rulings in some of these cases could result in significant future costs.

The state is also a defendant in a number of cases contesting: the denial of health care benefits to seasonal and part-time state employees, the methodologies used to calculate reimbursement rates to certain health care providers, and the scope of covered care. Claims in this category exceed $183 million.

The Department of Revenue routinely has claims for refunds in various stages of administrative and legal review. Cases involving claims for refunds currently total approximately $192 million, though an adverse ruling could result in additional claims being brought by similarly situated taxpayers. 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 $254 million.

The state is a defendant in a number of lawsuits by employees and employee unions alleging various infractions of law or contract. These suits claim back pay, damages, or future entitlements in excess of $784 million. Of the $784 million, $237 million is associated with a single case challenging the legislative repeal of the so-called gain-sharing benefit offered to members of certain state retirement plans. Pursuant to the legislative repeal, replacement benefits were offered in lieu of gain-sharing. It is estimated that if the gain-sharing benefit is restored and replacement benefits are retained, the biennial cost to state employers participating in the relevant plans would be approximately $237 million for the 2013-15 biennium. A second retirement benefits case challenges the legislative discontinuation of annual cost of living increases for PERS and TRS Plan 1 retirees. The anticipated biennial cost-savings to the state associated with the challenged legislation is estimated to be approximately $501 million for the 2013-15 biennium. The estimated impact of restoring both benefits together ($766 million) exceeds the cost of restoring both benefits separately due to the interaction of the two benefits. Both of the aforementioned cases were argued to the state Supreme Court on October 24, 2013.

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 $112.8 million in fiscal year 2013 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 2013 strategic contribution payment was approximately $37.8 million.

In 2006, 2007, 2008, and 2009, determinations were made 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. Thirty-six of the 37 states are participating in a single national arbitration of the NPM adjustment dispute.

The arbitration panel issued a decision in Washington's favor, unanimously concluding that Washington proved that it diligently enforced the qualifying statute during calendar year 2003 and, therefore, for that calendar year is not subject to an NPM adjustment under the MSA. Of the 15 states that went to an arbitration hearing, only nine were found to have diligently enforced.

There is approximately $723.6 million in the MSA Disputed Payment Account (DPA) related to the 2003 calendar year. Washington's share of that amount should be about $14.8 million. The timing of the distribution of that money is subject to certain variables. Some states (the ones that lost the arbitration) may take the position that no money should be released because, until possible appeals are exhausted, the dispute will not be "resolved with finality" and thus disputed payments should not be released. But absent an injunction that prevents the MSA independent auditor from releasing the money from the DPA, the state anticipates that it should receive its money no later than April 2014, when the next MSA annual and strategic contribution payments are distributed.

Finally, the panel's decision addresses only the 2003 calendar year. Washington and other states are engaged in negotiations with participating manufacturers regarding potential arbitration proceedings involving the 2004 calendar year.

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 estimates and recognizes claims and judgments liabilities 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. 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 2013, the state had guaranteed 213 school districts' voter-approved general obligation debt with 180 districts having a total outstanding principal of $8.55 billion. The state estimates that the 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 and in the year 2000 for real estate. 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 full 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, 2013, outstanding certificates of participation notes totaled $78.1 million for 165 local governments participating in LOCAL. The state estimates that the LOCAL program liability, if any, will be immaterial to its overall financial condition.

Note 14
Subsequent Events

A. BOND ISSUES

In August 2013, the state issued:

- $276.5 million in motor vehicle fuel tax general obligation bonds for various transportation projects.
- $535.3 million in general obligation bonds for various capital projects.
- $55.5 million in taxable general obligation bonds for various capital projects.

In September 2013, the University of Washington issued $146.4 million in general revenue bonds to partially finance renovations to Husky Stadium, Husky Ballpark, housing and food services and pay off commercial paper.

In September 2013, the state issued $285.9 million in Federal Highway Grant Anticipation Revenue (GARVEE) Bonds for the State Route 520 Corridor Program.

In October 2013, the state issued:

- $117.9 million in refunding general obligation bonds.
- $106.0 million in refunding motor vehicle fuel tax general obligation bonds.

In October 2013, the Tobacco Settlement Authority, a blended component unit of the state, issued $334.7 million in tobacco settlement revenue refunding bonds.

B. CERTIFICATES OF PARTICIPATION

In August 2013, the state issued $35.0 million in Certificates of Participation.

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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, 2013
(expressed in thousands)

	Original Budget 2011-13 Biennium	Final Budget 2011-13 Biennium	Actual 2011-13 Biennium	Variance with Final Budget
Budgetary Fund Balance, July 1, as restated	$ 62,736	$ 62,736	$ 62,736	$ -
Resources				
Taxes	31,065,106	29,614,048	29,627,123	13,075
Licenses, permits, and fees	176,925	199,135	204,358	5,223
Other contracts and grants	523,672	535,322	465,516	(69,806)
Timber sales	7,280	6,501	6,584	83
Federal grants-in-aid	15,009,646	15,019,506	14,065,536	(953,970)
Charges for services	60,097	66,388	62,112	(4,276)
Investment income (loss)	3,563	(18,779)	(17,241)	1,538
Miscellaneous revenue	395,704	412,620	350,343	(62,277)
Unclaimed property	108,623	182,082	179,381	(2,701)
Transfers from other funds	1,897,780	1,978,280	2,122,236	143,956
Total Resources	49,311,132	48,057,839	47,128,684	(929,155)
Charges To Appropriations				
General government	3,550,365	3,755,334	3,592,729	162,605
Human services	24,280,399	23,514,370	22,966,408	547,962
Natural resources and recreation	639,392	663,520	596,710	66,810
Transportation	101,879	103,401	93,001	10,400
Education	18,765,529	18,559,381	18,299,145	260,236
Capital outlays	627,393	747,691	341,096	406,595
Transfers to other funds	939,890	978,063	1,148,839	(170,776)
Total Charges To Appropriations	48,904,847	48,321,760	47,037,928	1,283,832
Excess Available For Appropriation Over (Under) Charges To Appropriations	406,285	(263,921)	90,756	354,677
Reconciling Items				
Debt service	-	-	(26)	(26)
Bond sale proceeds	103,825	111,089	194,555	83,466
Issuance premiums	-	183	6,350	6,167
Refunding COPs issued	-	-	3,270	3,270
Pmts to escrow agents for refunded debt	-	-	(3,565)	(3,565)
Assumed reversions	-	165,888	-	(165,888)
Working capital adjustment	-	238,000	238,000	-
Changes in reserves (net)	-	-	29,762	29,762
Entity adjustments (net)	-	-	(62,166)	(62,166)
Total Reconciling Items	103,825	515,160	406,180	(108,980)
Budgetary Fund Balance, June 30	$ 510,110	$ 251,239	$ 496,936	$ 245,697

BUDGETARY COMPARISON SCHEDULE
Budget to GAAP Reconciliation

General Fund
For the Biennium Ended June 30, 2013
(expressed in thousands)

		General Fund
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "Total Resources" from the Budgetary Comparison Schedule	$	47,128,684
Differences - budget to GAAP:		
The following items are inflows of budgetary resources but are not revenue for financial reporting purposes:		
Transfers from other funds		(2,122,236)
Budgetary fund balance at the beginning of the biennium		(62,736)
Appropriated loan principal repayment		(2,760)
The following items are not inflows of budgetary resources but are revenue for financial reporting purposes:		
Noncash commodities and electronic food stamp benefits		3,524,819
Revenues collected for other governments		215,056
Unanticipated receipts		11,626
Noncash revenues		(20,766)
Other		6,563
Biennium total revenues		48,678,250
Fiscal year 2012 total revenues, as restated		(23,986,435)
Nonappropriated activity		10,571
Total Revenues (GAAP Basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	$	24,702,386
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "Total Charges to Appropriations" from the Budgetary Comparison Schedule	$	47,037,928
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		(2,820,218)
Other transfers to other funds		(1,148,839)
Appropriated loan disbursements		(325)
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		3,524,819
Distributions to other governments		215,056
Certificates of participation and capital lease acquisitions		22,021
Expenditures related to unanticipated receipts		11,626
Interest on debt service		26
Other		12,280
Biennium total expenditures		46,854,374
Fiscal year 2012 total expenditures, as restated		(23,727,637)
Nonappropriated activity		615,207
Total expenditures (GAAP basis) as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	$	23,741,944

BUDGETARY INFORMATION
Notes to Required Supplementary Information

GENERAL BUDGETARY POLICIES AND PROCEDURES

The Governor is required to submit a budget to the 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 2011-13 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.

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, and Tobacco Settlement Securitization Bond Debt Service Fund. Additionally, certain items including federal surplus food commodities, electronic food stamp benefits, and resources collected and distributed to other governments are also excluded because they are not appropriated.

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.

In the General Fund, Budgetary Fund Balance equals unassigned fund balance as reported on the Governmental Funds Balance Sheet. In all other funds except Wildlife and Natural Resources, Budgetary Fund Balance equals total fund balance less nonspendable fund balance as reported on the Governmental Funds Balance Sheet. The Budgetary Fund Balance in the Wildlife and Natural Resources fund is further reduced by a portion of restricted fund balance that is not available for budgeting.

Schedules of Funding Progress

continued

Schedule of Funding Progress
Public Employees' Retirement System - Plan 1
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 8,521	$ 8,883	$ 9,293	$ 9,776	$ 9,853	$ 9,715
Actuarial accrued liability	12,360	12,571	12,538	13,984	13,901	13,740
Unfunded actuarial liability	3,839	3,688	3,245	4,208	4,048	4,025
Percentage funded	69%	71%	74%	70%	71%	71%
Covered payroll	371	432	507	580	638	676
Unfunded actuarial liability as a percentage of covered payroll	1035%	854%	640%	726%	634%	595%

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Public Employees' Retirement System - Plan 2/3
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 22,653	$ 20,997	$ 19,474	$ 18,260	$ 16,693	$ 14,888
Actuarial accrued liability	22,780	21,627	20,029	18,398	16,508	14,661
Unfunded actuarial liability	127	630	555	138	(185)	(227)
Percentage funded	99%	97%	97%	99%	101%	102%
Covered payroll	8,193	8,148	8,206	8,132	7,869	7,157
Unfunded actuarial liability as a percentage of covered payroll	2%	8%	7%	2%	0%	0%

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.

Source: Washington State Office of the State Actuary.

Schedules of Funding Progress

continued

Schedule of Funding Progress
Teachers' Retirement System - Plan 1
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 7,145	$ 7,485	$ 7,791	$ 8,146	$ 8,262	$ 8,302
Actuarial accrued liability	9,038	9,232	9,201	10,820	10,754	10,826
Unfunded actuarial liability	1,894	1,747	1,410	2,674	2,492	2,524
Percentage funded	79%	81%	85%	75%	77%	77%
Covered payroll	228	284	344	389	432	426
Unfunded actuarial liability as a percentage of covered payroll	829%	615%	410%	687%	577%	592%

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Teachers' Retirement System - Plan 2/3
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 7,758	$ 7,141	$ 6,593	$ 6,160	$ 5,681	$ 5,277
Actuarial accrued liability	7,478	7,194	6,558	6,048	5,264	4,682
Unfunded (assets in excess of) actuarial liability	(280)	53	(36)	(112)	(417)	(595)
Percentage funded	104%	99%	101%	102%	108%	113%
Covered payroll	4,077	4,085	3,966	3,957	3,621	3,318
Unfunded actuarial liability as a percentage of covered payroll	0%	1%	0%	0%	0%	0%

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.

Source: Washington State Office of the State Actuary.

Schedules of Funding Progress

continued

Schedule of Funding Progress
School Employees' Retirement System - Plan 2/3
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 3,100	$ 2,872	$ 2,664	$ 2,503	$ 2,303	$ 2,133
Actuarial accrued liability	3,103	2,956	2,706	2,493	2,207	1,998
Unfunded (assets in excess of) actuarial liability	3	84	41	(10)	(96)	(135)
Percentage funded	100%	97%	98%	100%	104%	107%
Covered payroll	1,479	1,490	1,475	1,467	1,379	1,283
Unfunded actuarial liability as a percentage of covered payroll	0%	6%	3%	0%	0%	0%

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.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Law Enforcement Officers' and Fire Fighters' Retirement System - Plan 1
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 5,562	$ 5,565	$ 5,561	$ 5,612	$ 5,592	$ 5,298
Actuarial accrued liability	4,120	4,145	4,393	4,492	4,368	4,340
Unfunded (assets in excess of) actuarial liability	(1,441)	(1,420)	(1,168)	(1,120)	(1,224)	(958)
Percentage funded	135%	134%	127%	125%	128%	122%
Covered payroll	19	25	29	33	37	43
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	0%	0%

Source: Washington State Office of the State Actuary.

Schedules of Funding Progress

continued

Schedule of Funding Progress
Law Enforcement Officers' and Fire Fighters' Retirement System - Plan 2

Valuation Years 2012 through 2007

(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 7,222	$ 6,621	$ 6,043	$ 5,564	$ 5,053	$ 4,360
Actuarial accrued liability	6,353	5,941	5,164	4,641	3,998	3,626
Unfunded (assets in excess of) actuarial liability	(869)	(680)	(879)	(923)	(1,055)	(734)
Percentage funded	114%	111%	117%	120%	126%	120%
Covered payroll	1,560	1,535	1,490	1,442	1,345	1,234
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	0%	0%

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.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Washington State Patrol Retirement System - Plan 1/2

Valuation Years 2012 through 2007

(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 982	$ 949	$ 920	$ 900	$ 870	$ 800
Actuarial accrued liability	884	859	812	790	745	702
Unfunded (assets in excess of) actuarial liability	(97)	(90)	(108)	(110)	(125)	(98)
Percentage funded	111%	110%	113%	114%	117%	114%
Covered payroll	80	82	83	83	79	72
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	0%	0%

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.

Source: Washington State Office of the State Actuary.

Schedules of Funding Progress

continued

Schedule of Funding Progress
Public Safety Employees' Retirement System - Plan 2
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 180	$ 141	$ 103	$ 69	$ 39	$ 14
Actuarial accrued liability	159	127	94	64	37	19
Unfunded (assets in excess of) actuarial liability	(22)	(14)	(9)	(5)	(2)	6
Percentage funded	114%	111%	109%	108%	106%	74%
Covered payroll	238	233	227	223	200	134
Unfunded actuarial liability as a percentage of covered payroll	0%	0%	0%	0%	0%	0%

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.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Judicial Retirement System
Valuation Years 2012 through 2007
(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 3.5	$ 5.0	$ 4.0	$ 2.0	$ 1.0	$ 1.0
Actuarial accrued liability	104	109	84	89	92	85
Unfunded actuarial liability	101	104	80	87	91	84
Percentage funded	3%	5%	5%	2%	1%	1%
Covered payroll	0.3	0.5	0.7	0.9	1.3	1.3
Unfunded actuarial liability as a percentage of covered payroll	33779%	22574%	11565%	9667%	7000%	6462%

Source: Washington State Office of the State Actuary.

Schedules of Funding Progress

concluded

Schedule of Funding Progress
Judges' Retirement Fund

Valuation Years 2012 through 2007

(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets	$ 1.9	$ 2.3	$ 2.8	$ 3.3	$ 3.6	$ 4.0
Actuarial accrued liability	3.6	3.9	3.2	3.4	3.5	3.9
Unfunded (assets in excess of) actuarial liability	1.7	1.6	0.4	0.1	(0.1)	(0.1)
Percentage funded	52%	61%	87%	97%	103%	103%
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

N/A indicates data not applicable.

* Covered payroll is not applicable because there are no active plan members.

Source: Washington State Office of the State Actuary.

Schedule of Funding Progress
Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund

Valuation Years 2012 through 2007

(dollars in millions)

	2012	2011	2010	2009	2008	2007
Actuarial valuation date	6/30/2012	6/30/2011	6/30/2010	6/30/2009	6/30/2008	6/30/2007
Actuarial value of plan assets***	$ 170	$ 168	$ 166	$ 166	$ 161	$ 151
Actuarial accrued liability*	170	168	166	163	153	141
Unfunded (assets in excess of) actuarial liability	-	-	-	(3)	(8)	(10)
Percentage funded	100%	100%	100%	102%	105%	107%
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 applicable.

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, 2013 through 2008
(dollars in millions)

	2013	2012	2011	2010	2009	2008
PUBLIC EMPLOYEES' RETIREMENT PLAN SYSTEM - PLAN 1						
Employers' annual required contribution	$ 534.2	$ 508.0	$ 439.3	$ 627.8	$ 620.2	$ 453.1
Employers' actual contribution	266.3	257.2	145.6	154.0	325.2	221.8
Percentage contributed	50%	51%	33%	25%	52%	49%
PUBLIC EMPLOYEES' RETIREMENT PLAN SYSTEM - PLAN 2/3						
Employers' annual required contribution	$ 408.3	$ 407.7	$ 408.6	$ 383.1	$ 369.7	$ 363.3
Employers' actual contribution	389.0	385.3	328.3	327.5	439.7	318.7
Percentage contributed	95%	95%	80%	85%	119%	88%
TEACHERS' RETIREMENT SYSTEM - PLAN 1						
Employers' annual required contribution	$ 275.4	$ 254.0	$ 205.9	$ 406.1	$ 391.0	$ 294.7
Employers' actual contribution	118.6	111.9	96.8	112.7	178.9	113.1
Percentage contributed	43%	44%	47%	28%	46%	38%
TEACHERS' RETIREMENT SYSTEM - PLAN 2/3						
Employers' annual required contribution	$ 231.6	$ 232.2	$ 232.3	$ 221.1	$ 186.9	$ 208.9
Employers' actual contribution	229.0	213.9	168.3	165.0	160.8	109.5
Percentage contributed	99%	92%	72%	75%	86%	52%
SCHOOL EMPLOYEES' RETIREMENT SYSTEM - PLAN 2/3						
Employers' annual required contribution	$ 86.6	$ 85.2	$ 88.6	$ 82.3	$ 71.5	$ 75.8
Employers' actual contribution	78.4	74.6	62.3	62.1	63.5	52.1
Percentage contributed	91%	88%	70%	75%	89%	69%

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 experience gains and losses. The methods used to derive the ARC for this reporting disclosure are different from the methods 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, 2013 through 2008

(dollars in millions)

	2013	2012	2011	2010	2009	2008
LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM - PLAN 1						
Employers' annual required contribution	$ -	$ -	$ -	$ -	$ -	$ -
Employers' actual contribution	0.6	-	-	-	-	-
Percentage contributed	N/A	N/A	N/A	N/A	N/A	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*	$ 56.8	$ 59.1	$ 50.4	$ 67.3	$ 63.2	$ 61.3
Employers' actual contribution	82.4	80.5	79.7	77.0	77.8	73.4
Percentage contributed	145%	136%	158%	114%	123%	120%
State annual required contribution*	$ 37.9	$ 38.2	$ 33.6	$ 44.4	$ 42.1	$ 40.8
State actual contribution	54.2	52.8	52.0	51.4	51.1	45.9
Percentage contributed	143%	138%	155%	116%	121%	113%
WASHINGTON STATE PATROL RETIREMENT SYSTEM						
Employers' annual required contribution	$ 2.5	$ 2.9	$ 2.3	$ 6.6	$ 5.0	$ 6.8
Employers' actual contribution	6.5	6.5	5.3	5.3	6.4	6.1
Percentage contributed	260%	224%	230%	80%	128%	90%

N/A indicates data not applicable

*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 experience gains and losses. The methods used to derive the ARC for this reporting disclosure are different from the methods 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, 2013 through 2008
(dollars in millions)

	2013	2012	2011	2010	2009	2008
PUBLIC SAFETY EMPLOYEES' RETIREMENT PLAN SYSTEM - PLAN 2						
Employers' annual required contribution	$ 15.1	$ 14.7	$ 14.7	$ 14.8	$ 14.3	$ 12.4
Employers' actual contribution	15.6	15.3	15.6	15.2	14.5	11.7
Percentage contributed	103%	104%	106%	103%	101%	94%
JUDICIAL RETIREMENT SYSTEM						
Employers' annual required contribution	$ 21.7	$ 22.6	$ 18.6	$ 20.4	$ 21.2	$ 26.6
Employers' actual contribution	10.1	8.1	10.9	11.6	10.2	9.6
Percentage contributed	47%	36%	59%	57%	48%	36%
JUDGES' RETIREMENT FUND						
Employers' annual required contribution	$ 0.4	$ 0.3	$ 0.1	$ -	$ -	$ -
Employers' actual contribution	-	-	-	-	-	-
Percentage contributed	N/A	N/A	N/A	N/A	N/A	N/A
VOLUNTEER FIRE FIGHTERS' AND RESERVE OFFICERS' RELIEF AND PENSION FUND						
Employers' annual required contribution	$ 0.9	$ 1.0	$ 1.1	$ 1.0	$ 1.1	$ 1.0
Employers' actual contribution	0.9	1.0	1.1	1.0	1.0	1.0
Percentage contributed	100%	100%	100%	100%	91%	100%
State annual required contribution	$ 3.7	$ 3.7	$ 4.2	$ 1.8	$ 1.4	$ 0.9
State actual contribution	6.0	5.6	5.8	5.7	5.2	5.0
Percentage contributed	162%	151%	138%	317%	371%	556%

N/A indicates data not applicable

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 experience gains and losses. The methods used to derive the ARC for this reporting disclosure are different from the methods 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 2013 through 2009
(dollars in millions)

	2013	2011	2009
Actuarial valuation date	1/1/2013	1/1/2011	1/1/2009
Actuarial value of plan assets	$ -	$ -	$ -
Actuarial accrued liability (AAL)*	3,707	3,492	3,787
Unfunded actuarial accrued liability (UAAL)	3,707	3,492	3,787
Funded ratio	0%	0%	0%
Covered payroll	5,787	5,937	5,678
UAAL as a percentage of covered payroll	64%	59%	67%

* 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 of Washington reports certain networks of infrastructure assets under the modified approach of the Governmental Accounting Standards Board Statement No. 34. Expenditures to maintain and preserve these assets are budgeted, recorded, and reported in lieu of depreciation expense. The state must meet the following requirements to report networks of assets under the modified approach:

- Maintain an up-to-date inventory of eligible infrastructure assets in an asset management system.
- Disclose the condition level established by administrative or executive policy, or by legislative action at which assets are to be preserved or maintained.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Document that assets are being preserved approximately at or above the disclosed condition level.
- Annually estimate the cost to maintain and preserve the assets at the established condition level.

Assets accounted for under the modified approach include the state's network of highway pavements, bridges, and rest areas. In fiscal year 2013, the state was responsible to maintain and preserve 20,680 pavement lane miles, 3,267 bridges and tunnels, and 48 rest areas.

PAVEMENT CONDITION

The Washington State Department of Transportation (WSDOT) performs highway pavement assessments over a two year cycle utilizing three measurements to develop a scaled condition assessment: Pavement Structural Condition (PSC), International Roughness Index (IRI), and rutting.

The WSDOT uses the following rating scale for 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 – 79	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 – 59	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 – 39	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 – 19	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 IRI scale is measured in inches per mile. The WSDOT assesses pavements with a ride performance measure less than 221 inches per mile to be in fair or better condition.

Rutting is measured in inches with a measurement of 0.58 inches or less assessed at a condition of fair or better.

PSC, IRI, and rutting are combined to rate a section of pavement which is assigned the lowest condition of any of the three indices.

The WSDOT's policy is to maintain 90 percent of pavements at a condition level of fair or better. The following table shows the combined conditions and the ratings for pavement for each index:

Category	PSC	IRI	Rutting
Very Good	80 – 100	< 96	< 0.24
Good	60 – 79	96 – 170	0.24 – 0.41
Fair	40 – 59	171 – 220	0.42 – 0.58
Poor	20 – 39	221 – 320	0.59 – 0.74
Very Poor	0 – 19	> 320	> 0.74

The following table shows payment condition ratings for state highways:

Pavement Percentage in Fair or Better Condition Calendar Year		
2011	**2009**	**2007**
91.2%	92.7%	93.0%

The following table reflects the state's estimated and actual expenditures necessary to preserve state highways at the established condition level:

Pavement Preservation and Maintenance - Planned to Actual - Fiscal Year *(expressed in thousands)*					
	2013	**2012**	**2011**	**2010**	**2009**
Planned	$ 137,779	$ 148,811	$ 122,203	$ 168,204	$ 144,897
Actual	$ 108,972	$ 148,366	$ 117,811	$ 159,441	$ 128,449

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activity in response to economic forecasts and other factors.

For more information about pavements, refer to the WSDOT's website at:
http://www.wsdot.wa.gov/Business/MaterialsLab/Pavements/default.htm.

BRIDGE CONDITION

The WSDOT performs sample condition assessments on state owned bridges in excess of 20 feet in length each year with all bridges inspected over a two year cycle. Underwater bridge components are inspected at least once every five years in accordance with Federal Highway Administration (FHWA) requirements.

The WSDOT uses a performance measure which classifies a bridge as good, fair, or poor using the National Bridge Inspection Standards (NBIS) codes for bridge superstructure, substructure, and deck. The following categories for condition rating are based on the structural sufficiency standards established in FHWA's "Recording and Coding Guide for the Structural Inventory and Appraisal of the Nation's Bridges."

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.

The WSDOT's policy is to maintain 95 percent of bridges at a condition level of fair or better. The following table shows bridge condition ratings:

Bridges Percentage in Fair or Better Condition Calendar Year		
2011	2009	2007
95.4%	97.7%	97.2%

The following table reflects the state's estimated and actual expenditures necessary to preserve the bridges at the established condition level:

Bridges Preservation and Maintenance - Planned to Actual - Fiscal Year *(expressed in thousands)*					
	2013	2012	2011	2010	2009
Planned	$ 98,519	$ 66,510	$ 46,708	$ 54,490	$ 76,801
Actual	$ 87,306	$ 61,026	$ 43,709	$ 44,436	$ 29,992

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activity in response to economic forecasts and other factors.

For more information about bridges, refer to the WSDOT's website at:
http://www.wsdot.wa.gov/eesc/bridge/index.cfm.

SAFETY REST AREA CONDITION

The WSDOT performs safety rest area condition assessments every two years. Sites are given a good to poor numerical rating for each of the following functional components: ADA compliance; proximity to the next rest area; traffic flow/access from/to the highway; security (fencing, visibility, and lighting); facility size (vehicle/pedestrian circulation, parking, potential facility expansion); drainage; landscaping maintenance; signage; water supply (rate flow, potable, hydrant system), and sanitation (municipal or on-site). A weighting multiplier is applied based on the criticality of each component.

The WSDOT's policy is to maintain 95 percent of safety rest areas in a condition of fair or better. The following table shows the safety rest area condition ratings:

Safety Rest Areas Percentage in Fair or Better Condition Calendar Year		
2011	**2009**	**2007**
100.0%	97.6%	95.2%

The following table reflects the state's estimated and actual expenditures necessary to preserve the safety rest areas at the established condition level:

Safety Rest Areas Preservation and Maintenance - Planned to Actual - Fiscal Year *(expressed in thousands)*					
	2013	**2012**	**2011**	**2010**	**2009**
Planned	$ 6,607	$ 6,278	$ 6,259	$ 5,815	$ 6,007
Actual	$ 6,676	$ 6,467	$ 6,514	$ 5,925	$ 5,824

Actual expenditures may vary from planned amounts for a variety of reasons which include, but are not limited to, management's decision to accelerate, defer, or reduce preservation or maintenance activity in response to economic forecasts and other factors.

For more information about safety rest areas, refer to WSDOT's website at: http://www.wsdot.wa.gov/safety/restareas.

Washington State Auditor
Troy Kelley

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

November 8, 2013

The Honorable Jay Inslee
Governor, State of Washington

Dear Governor Inslee:

We have audited, 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, 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, 2013, and the related notes to the financial statements, which collectively comprise the State's basic financial statements, and have issued our report thereon dated November 8, 2013. During the year ended June 30, 2013, the State implemented Governmental Accounting Standards Board Governmental Accounting Standards Board Statements No. 61, The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34, *Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position and Statement No. 65, Items Previously Reported as Assets and Liabilities*.

Our report includes a reference to other auditors who audited the financial statements of the Department of Retirement Systems, 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, 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

In planning and performing our audit of the financial statements, we considered the State's internal control over financial reporting (internal control) to determine the audit procedures that

are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

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 Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Audit Findings and Responses as Finding 2013-001, that we consider to be significant deficiencies, in internal control over financial reporting.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the State's financial statements are free from 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*.

STATE'S REPONSE TO FINDINGS

The State's response to the findings identified in our audit is described in the accompanying Schedule of Audit Findings and Responses. The State's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control and compliance. Accordingly, this communication is not suitable for any other

purpose. 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.

TROY KELLEY
STATE AUDITOR

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Washington State Auditor
Troy Kelley

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

March 19, 2014

The Honorable Jay Inslee
Governor, State of Washington

Dear Governor Inslee:

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

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, 2013. The State's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Audit Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. Our audit does not provide a legal determination on the State's compliance.

Basis for Qualified Opinion on Homeland Security Grant Program

As described in Findings 2013-043, 2013-044 and 2013-045 in the accompanying Schedule of Audit Findings and Questioned Costs, the State did not comply with requirements regarding its Homeland Security Grant Program for

Subrecipient Monitoring and Earmarking. Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to the program.

Qualified Opinion on Homeland Security Grant Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Homeland Security Grant Program for the year ended June 30, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the accompanying Schedule of Audit Findings and Questioned Costs for the year ended June 30, 2013.

Other Matters

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 Audit Findings and Questioned Costs as Findings 2013-002, 2013-004, 2013-007, 2013-009, 2013-010, 2013-012, 2013-013, 2013-014, 2013-015, 2013-016, 2013-043 and 2013-045. Our opinion on each major federal program is not modified with respect to these matters.

State's Response to Findings

The State's responses to the noncompliance findings identified in our audit are described in the accompanying Schedules of Audit Findings and Questioned Costs. The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the State is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and 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 a 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 Audit Findings and Questioned Costs as Findings 2013-006, 2013-009, 2013-010, 2013-012, 2013-013, 2013-014, 2013-016, 2013-017, 2013-024 and 2013-043 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 Audit Findings and Questioned Costs as Findings 2013-002, 2013-003, 2013-004, 2013-007, 2013-015, 2013-019, 2013-020, 2013-021, 2013-023, 2013-025, 2013-026, 2013-027, 2013-028, 2013-030, 2013-031, 2013-032, 2013-033, 2013-034, 2013-035, 2013-036, 2013-037, 2013-038, 2013-040, 2013-044 and 2013-045 to be significant deficiencies.

State's Response to Findings

The State's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedules of Audit Findings and Questioned Costs. The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

PURPOSE OF THIS REPORT

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose. 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.

REPORT ON 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, 2013, and have issued our report thereon dated November 08, 2013, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming our 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 U.S. Office of Management and Budget Circular A 133, *Audits of States, Local Governments, and Non-Profit Organizations*. This schedule is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Sincerely,

TROY KELLEY
STATE AUDITOR
March 19, 2014, except for the Schedule
of Expenditures of Federal Awards, as to
which the date is November 08, 2013

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Schedule of Audit Findings and Questioned Costs

SUMMARY OF AUDITOR'S RESULTS

The results of our audit of the State of Washington are summarized below in accordance with U.S. Office of Management and Budget Circular A-133.

FINANCIAL STATEMENTS

An unmodified 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.

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 unmodified opinion on the State's compliance with requirements applicable to its major federal programs, with the exception of the Homeland Security Grant Program on which we issued a qualified opinion 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
	Research and Development Cluster
 10.553 10.555 10.556 10.559	<u>Child Nutrition Cluster</u> School Breakfast Program National School Lunch Program Special Milk Program for Children Summer Food Service Program for Children
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
10.665	Schools and Roads – Grants to States
17.225 17.225-ARRA	Unemployment Insurance Unemployment Insurance, American Recovery and Reinvestment Act (ARRA)
 17.258 17.258-ARRA 17.259 17.278	<u>Workforce Investment Act (WIA) Cluster</u> Workforce Investment Act (WIA) Adult Program Workforce Investment Act (WIA) Adult Program, American Recovery and Reinvestment Act (ARRA) Workforce Investment Act (WIA) Youth Activities Workforce Investment Act (WIA) Dislocated Worker Formula Grants
17.503	Occupational Safety and Health State Program
20.319 20.319-ARRA	High Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants High Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants, American Recovery and Reinvestment Act (ARRA)
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated
20.932-ARRA	Surface Transportation - Discretionary Grants for Capital Investment, 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)
66.605	Performance Partnership Grants
84.011	Migrant Education – State Grant Program (Title I, Part C of ESEA)
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States
84.367	Improving Teacher Quality State Grants
84.377 84.388-ARRA	School Improvement Grants Cluster 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)
93.044 93.045 93.053	Aging Cluster Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers Special Programs for the Aging - Title III, Part C – Nutrition Services Nutrition Services Incentive Program
93.069	Public Health Emergency Preparedness
93.145 93.266	AIDS Education and Training Centers Health Systems Strengthening and HIV/AIDS Prevention, Care and Treatment under the President's Emergency Plan for AIDS Relief
93.268	Immunization Cooperative Agreements
93.563	Child Support Enforcement
93.568	Low-Income Home Energy Assistance

93.575 93.596	Child Care and Development Fund Cluster Child Care and Development Block Grant Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.600	Head Start
93.659	Adoption Assistance
93.667	Social Services Block Grant
93.720 93.775 93.777 93.778 93.778-ARRA	Medicaid Cluster 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)
93.791	Money Follows the Person Rebalancing Demonstration
93.889	National Bioterrorism Hospital Preparedness Program
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.

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Summary of Financial Statement Findings

Finding Number	Finding
2013-001	**State's internal controls over payroll payments processed by Human Resources Management System and Medicaid payments processed by ProviderOne are inadequate to ensure those payments are properly processed and recorded.**

Summary of Federal Findings

Finding Number	Finding
2013-002	**The University of Washington did not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act (FFATA) are filed for the Research and Development cluster.**
2013-003	**The Department of Commerce does not have sufficient internal controls to ensure all of its subrecipients receive audits as required.**
2013-004	**The Department of Commerce does not have sufficient internal controls to ensure HOME Investment Partnership program income is used before requesting federal cash draws.**
2013-005	**The Employment Security Department did not attempt to collect $881,375 overpaid to claimants for Federal Additional Compensation unemployment insurance.**
2013-006	**The Employment Security Department did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Workforce Investment Act program.**
2013-007	**The Department of Ecology did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Performance Partnership Grant program.**
2013-008	**The Department of Ecology improperly claimed $53,971.49 in federal reimbursement for the Performance Partnership Grant program.**
2013-009	**The Office of the Superintendent of Public Instruction does not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Migrant Education AND Title IIA Improving Teacher Quality programs are filed.**
2013-010	**The Office of the Superintendent of Public Instruction does not have sufficient controls over, and was not compliant with, the requirements for determining subawards for each school district's share of Migrant Education funding.**
2013-011	**The Department of Services for the Blind charged indirect costs related to the Vocational Rehabilitation program to its federal grant without an approved indirect cost rate.**
2013-012	**The Department of Health does not have sufficient internal controls to ensure it meets federal level of effort requirements for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.**
2013-013	**The Department of Health does not have sufficient internal controls over, and did not comply with, the Federal Funding Accountability and Transparency Act reporting requirements for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness Programs.**
2013-014	**The University of Washington does not have monitoring controls to ensure subrecipients expending $500,000 or more in total federal dollars obtain an audit.**

2013-015	**The Department of Early Learning does not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Child Care Development Fund program are filed.**
2013-016	**The Department of Early Learning does not have adequate internal controls over direct payments to child care providers.**
2013-017	**The Department of Social and Health Services does not have adequate internal controls over client eligibility for the Child Care Development Fund.**
2013-018	**The Department of Social and Health Services, Children's Administration, is not ensuring the eligibility of clients receiving Adoption Assistance payments.**
2013-019	**The Department of Health did not survey all hospitals and home health agencies in accordance with the frequency stipulated by state and federal laws, which could increase the risk of Medicaid clients receiving substandard care.**
2013-020	**The Health Care Authority does not comply with the data-sharing requirements of 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.**
2013-021	**The Health Care Authority did not have adequate controls in place to ensure all critical access hospitals were paid accurately.**
2013-022	**The Health Care Authority did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers.**
2013-023	**The Health Care Authority does not have adequate controls to ensure inpatient high outlier payments to hospitals are accurate.**
2013-024	**The Health Care Authority's internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are accurate, resulting in over $95,000 in potential overpayments on premium rates paid to the managed care organizations.**
2013-025	**The Health Care Authority did not invoice Medicaid drug rebates to drug manufacturers in accordance with the time frame stipulated by state and federal laws.**
2013-026	**The Health Care Authority's inadequate internal controls over claims from Federally Qualified Health Centers led to more than $226,279.66 in improper payments to providers.**
2013-027	**The Health Care Authority's inadequate internal controls over claims for dental services led to more than $584,511.96 in overpayments to providers.**
2013-028	**The Health Care Authority did not complete the required security reviews of ProviderOne, the new Medicaid Management Information System, risking the loss of Medicaid program assets and jeopardizing Medicaid program integrity.**
2013-029	**The Health Care Authority improperly claimed $73,788.62 in federal reimbursement for unallowable services provided to undocumented aliens and services that were not rendered to deceased Medicaid clients.**
2013-030	**The Health Care Authority did not have adequate controls in place to ensure violations of Medicaid laws and regulations by providers are identified, investigated and referred to the Medicaid Fraud Control Unit, risking the loss of public resources.**
2013-031	**The Health Care Authority did not have adequate controls in place to ensure services billed by providers were rendered to Medicaid beneficiaries, risking the loss of Medicaid resources.**
2013-032	**The Health Care Authority does not have an adequate internal controls to ensure Medicaid drug rebate amounts are accurately reported in CMS 64 report.**
2013-033	**The Department of Social and Health Services, Aging and Disability Services Administration, did not respond to nursing home complaints in a timely manner, which could leave Medicaid clients residing in nursing homes vulnerable to serious injury or harm.**
2013-034	**The Department of Social and Health Services, Aging and Disability Services Administration, did not adequately monitor supported living service providers to ensure all staff with contact to Developmentally Disabled clients have a proper background check and are authorized to have access to vulnerable supported living clients.**

2013-035	**The Department of Social and Health Services, Developmental Disabilities Administration made overpayments to providers totaling $236,892.73.**
2013-036	**The Department of Social and Health Services, Developmental Disabilities Administration did not have adequate controls to ensure Medicaid payments to supported living service providers are allowable and supported, resulting in unallowable payments of $133,128.**
2013-037	**The Department of Social and Health Services, Aging and Long-Term Support Administration, did not adequately monitor adult family home providers to ensure all caregivers and resident managers who are employed directly or by contract have proper background checks.**
2013-038	**The Department of Social and Health Services, Developmental Disabilities Administration did not have adequate internal controls to ensure cost of care adjustments paid to supported living service providers are allowable and supported, resulting in unallowable payments of $604,661.**
2013-039	**The Department of Social and Health Services, Developmental Disabilities Administration, did not consistently pay supported living providers at authorized daily rates.**
2013-040	**The Department of Social and Health Services, Aging and Long-Term Support Administration, did not perform background checks for some in-home care individual providers in accordance with state law.**
2013-041	**The Department of Social and Health Services improperly claimed $691,869.10 in federal reimbursement for the Medicaid program.**
2013-042	**The Department of Social and Health Services, Aging and Long Term Support Administration, did not ensure that unallowable payroll costs charged to the Money Follows the Person Rebalancing Demonstration were refunded to the federal government in a timely manner.**
2013-043	**The Military Department does not have adequate internal controls to ensure all subrecipients of Homeland Security Grant Program funds receive audits when required and take timely and appropriate corrective action for any audit findings issued.**
2013-044	**The Military Department did not have internal controls over earmarking requirements to ensure administrative and management costs were accurately monitored for the Homeland Security grant.**
2013-045	**The Military Department did not have adequate internal controls over subrecipient monitoring and did not adequately monitor subrecipients of the Homeland Security Grant Program.**

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Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Summary of Questioned Costs

Federal Grantor	State Agency	CFDA No.	Federal Program	Questioned Costs	Finding No.
U.S. Department of Labor	Employment Security Department	17.225 17.225ARRA	Unemployment Insurance	$ 881,375.00	2013-005
U.S. Environmental Protection Agency	Department of Ecology	66.605	Performance Partnership Grant	$ 53,971.49	2013-008
U.S. Department of Education	Department of Services for the Blind	84.126	Vocational Rehabilitation Grants to States	$ 1,119,396.00	2013-011
U.S. Department of Health and Human Services	Department of Social and Health Services	93.659	Adoption Assistance	$ 6,044.00	2013-018
U.S. Department of Health and Human Services	Department of Social and Health Services	93.720ARRA 93.775 93.777 93.778 93.778ARRA	Medicaid Cluster	$ 1,362,210.01	2013-035 2013-036 2013-038 2013-039 2013-040 2013-041
U.S. Department of Health and Human Service	Health Care Authority	93.720ARRA 93.775 93.777 93.778 93.778ARRA	Medicaid Cluster	$ 746,635.20	2013-022 2013-023 2013-024 2013-026 2013-027 2013-029
U.S. Department of Health and Human Services	Department of Social and Health Services	93.791	Money Follows the Person Rebalancing Demonstration	$ 106,273.92	2013-042
			Total	$ 4,275,905.62	

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Financial Findings Reported Under Government Auditing Standards

2013-001 State's internal controls over payroll payments processed by Human Resources Management System and Medicaid payments processed by ProviderOne are inadequate to ensure those payments are properly processed and recorded.

Background

It is the responsibility of state management to design and follow internal controls that provide reasonable assurance regarding the reliability and accuracy of information used for financial reporting. The Legislature, federal agencies and bondholders rely on the information included in financial statements and reports to make decisions.

Description of Condition

Our audit identified the following weaknesses in internal controls we consider to be significant deficiencies that could lead to inaccurate or unreliable financial reporting:

Human Resources Management System (HRMS)

The HRMS processed 1.7 million payroll transactions for approximately 70,000 Washington state employees totaling $3.6 billion in payroll costs for the fiscal year ended June 30, 2013.

In previous audits, we reported internal control deficiencies related to the HRMS. Improvements have been made; however, the following control weaknesses continue to exist with the HRMS:

- Controls are inadequate over the input of Employee Master Data – Individuals can make changes to data in HRMS without system enforced review and approval. The system lacks adequate controls that prevent payments from being paid to individuals that exceed a reasonable amount.
- Some employees at the Department of Enterprise Services (DES) have excessive access to HRMS and can make changes to programs and place them into production without a second review or approval. HRMS is not supported by a Disaster Recovery Back Up Site or a Disaster Recovery and Business Resumption Plan.

During the current audit, we also observed an internal control weakness at the Department of Social and Health Services (DSHS). DSHS had approximately 426,000 payroll transactions totaling $1.1 billion for the fiscal year. We found the DSHS did not consistently run or review an available payroll report (S4259 payroll journal report) designed to detect errors and prevent payroll overpayments.

ProviderOne System

The Health Care Authority (HCA) has contracted with a vendor, which uses a system known as ProviderOne to process state Medicaid payments. For the fiscal year ended June 30, 2013, ProviderOne processed approximately 42 million Medicaid transactions totaling $4.5 billion. During the previous audit, we identified and communicated deficiencies in controls over the ProviderOne system. The HCA has made improvements; however, we determined a significant deficiency continued to exist.

The HCA did not adequately monitor the ProviderOne system. Specifically, the contract with the vendor did not require the vendor to obtain a review of the ProviderOne system's internal controls to determine whether they are properly designed and operate as intended in the processing and recording of Medicaid payments.

Cause of Condition

HRMS

Those responsible for the initial implementation of HRMS focused on configuring the system to perform accurate calculations and interfacing information with state agency systems, rather than on edits to provide assurance over reasonableness of data entry and system-enforced independent review. While improvements have been made to correct previously reported conditions, remaining conditions were not reviewed by Office of Financial Management (OFM) and DES for prioritization. Additionally, DES has not developed a plan for a backup and recovery strategy, as it intended when these conditions were previously reported.

DSHS did not follow its agency policy requiring the generation and review of an S4259 payroll journal report to ensure payroll is complete and accurate. The agency did not consistently run and review its payroll journal reports during the audit period.

ProviderOne

HCA and the vendor did not adequately address responsibilities, controls and requirements for monitoring in the contract for the ProviderOne system. HCA did not have complete knowledge of the extent of their monitoring responsibilities for ProviderOne.

Effect of Condition

HRMS

Inadequate controls within HRMS have or could lead to the following conditions:

- Untimely detection of payroll overpayments at agencies, if agency internal controls fail
- Undetected changes in the HRMS programs and data

In addition, these internal control weaknesses could lead to the inability to resume the payroll system in a timely fashion after a disaster.

As a result of the internal control deficiencies discussed above, we were required to perform additional audit procedures at DSHS to verify the accuracy of payroll expenditures. We found DSHS made at least 500 payroll overpayments during the fiscal year ended June 30, 2013. Because circumstances of each overpayment is different, the agency's accounting treatment varied. Therefore, we were not able to determine the total dollar amount of these overpayments. Overpayments included:

- A cook at Western State Hospital received a payment for 638 hours of overtime in one pay period. The amount of the error in the payment was $11,028. There was no control that limits the input of overtime hours. A normal pay period is 80 hours.
- A pharmacist at Eastern State Hospital was overpaid $14,068 in one pay period when his pay rate was incorrectly altered and changed to an hourly rate of $1,017.
- An office assistant received an overpayment of $1,042 when an input error was made. The employee worked eight hours in a single day; however, 88 hours was input into the system.
- A security guard at Western State Hospital was overpaid $2,008 when an input error was made for hours worked in a single day. An entry of 107 hours was input for one day and accepted by the system. The actual hours worked was 10.7 hours.

ProviderOne

The failure to assure that the vendor received an internal control audit for the ProviderOne system could lead to inaccurate financial reporting in the state's general fund. Additionally, the lack of monitoring creates an environment in which the state cannot be sure the vendor maintains proper internal controls to prevent:

- Misuse, loss or misappropriation of public funds
- Inaccurate payments
- Unauthorized software changes to the ProviderOne system

As a result of the internal control deficiencies, we were required to perform additional audit procedures to verify the accuracy of human services expenditures reported in the state's general fund.

We will be issuing an additional finding related to ProviderOne in our Single Audit of the State of Washington. This audit examines compliance with federal grant requirements and internal controls over the expenditure of grant money.

Recommendations

To strengthen internal controls over the HRMS system, we recommend:

- OFM and DES modify current preventative controls in HRMS to assure state employees do not receive unreasonable payroll payments due to incorrect input.
- Access to HRMS programs be restricted so that there are not individuals with the access to make changes to programs and move changes into production without review or approval of a second individual.
- DES comply with OCIO policy and establish a disaster recovery plan for HRMS.
- DSHS consistently comply with its policy to run and review payroll reports prior to approving the payroll.

To strengthen internal controls over the ProviderOne system, we recommend:

HCA continue to improve the monitoring and oversight of the ProviderOne system to verify internal controls are in place and effective in ensuring the accuracy and integrity of the information.

State's Response

Human Resources Management System (HRMS)

The Department of Enterprise Services (DES), in partnership with the Office of Financial Management (OFM), will identify and analyze options to incorporate system-enforced review and approval edits. Some of this analysis will be dependent on implementation decisions related to the new enterprise Time, Leave and Attendance system now being implemented. DES and OFM anticipate that this analysis will be complete by June 30, 2015.

There is currently a preventative control in HRMS that halts processing of an individual's pay if gross pay is over a certain amount. By June 30, 2014, DES, in partnership with OFM, will analyze this control to determine how it can be used more effectively.

By December 1, 2013, DES will ensure that no individuals have access to make changes to programs or move changes into production without review or approval of a second individual.

DES is currently working on Disaster Recovery and Business Resumption Planning to comply with the OCIO policy. DES anticipates that this issue will be resolved within the next year.

The Department of Social and Health Services takes the accuracy of payroll very seriously. The overpayments noted in the audit represent about one-tenth of one percent of all payroll transactions in the Department each year. The Department always followed the accounting treatment as prescribed for recording overpayments. That accounting treatment varies depending on the type of overpayment involved.

The Department has established agency metrics related to payroll overpayments and underpayments and included these metrics within the Financial Services Administration's Strategic Plan. The Department has identified and undertaken Lean projects within its statistically most challenging areas for payment accuracy and will continue these efforts in the future. Additionally, the Department will continue to work with management at the institutions to further timely and efficient reporting of time and leave in order to reduce input pressures during the payroll exit process.

The Department has also implemented a time and leave tool called "Leave Tracker" for headquarters and certain field staff. The Department is working to resolve access and logistical issues so that its usage can be expanded to the institutions. Use of Leave Tracker expedites time and leave recording by the employee and electronically routes it to the supervisor for approval and ultimately to the timekeeper. Leave Tracker also has two features for timekeeping staff that support the internal control and accuracy of time and leave input. One function is a semi-automated transaction by transaction comparison between Leave Tracker and HRMS Cross Application Timesheet (CATs). The second gives a summary total of hours for the pay period for each employee which allows for easy comparison to the summary totals on the payroll journal.

As noted in the audit, time collection and processing policies and procedures are documented. The Department regularly provides time and attendance training to timekeepers, supervisors, and employees. These classes stress the internal control elements of the Department's time collection and processing procedures including the importance of running and reconciling the pre-emptive payroll journals prior to payroll exit each period.

Each of the overpayments noted by the auditors has either been fully recovered by the Department or are is the process of being recovered from the employee.

ProviderOne

The state recognizes the significance and the priority of internal controls over recording and reporting financial transactions. Initially, the state relied on the certification process conducted by the federal Centers for Medicare and Medicaid Services (CMS) to document the sufficiency of ProviderOne internal controls. The CMS certification process was very comprehensive in nature and resulted in the state's ProviderOne being the first in the country to achieve federal certification without a single finding. That said, the state recognizes the value of and, in January 2013, added a requirement to the ProviderOne contract for an independent audit of the system of internal controls at the vendor location. An audit of a service organization's internal controls involves a phased approach. The phases were specified in the contract with the first report due in the spring of 2014.

Auditor's Concluding Remarks

We thank the State for their diligence in addressing the internal control issues discussed. These actions will enhance the fiscal accountability and financial reporting of the State's financial activity. We will evaluate the State's corrective action during our next audit.

Applicable Laws and Regulations

Government Auditing Standards, July 2007 Revision – Section 5.11 provides that auditors should report material weaknesses and significant deficiencies in internal control.

The American Institute of Certified Public Accountants, Statement on Auditing Standards No. 115 defines significant deficiencies and material weaknesses as follows:

a. Significant deficiency: A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

b. Material weakness: A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Washington State Office of Financial Management
State Administrative & Accounting Manual

Chapter 20 - Internal Control and Auditing

Section: 20.10.20 July 1,2008 The Budget and Accounting Act is found in Chapter 43.88 RCW. RCW 43.88.160(4), states in part . . .the director of the Office of Financial Management (OFM), as an agent of the governor, shall:

"Develop and maintain a system of internal controls and internal audits comprising methods and procedures to be adopted by each agency that will safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies for accounting and financial controls. The system developed by the director shall include criteria for determining the scope and comprehensiveness of internal controls required by the classes of agencies, depending on the level of resources at risk.

Each agency head or authorized designee shall be assigned the responsibility and authority for establishing and maintaining internal audits following the standards of internal auditing of the institute of internal auditors..."

Section: 20.15.50.a - Annual assurance

A risk assessment and internal control review process provides management with reasonable assurance that controls are operating as expected. In addition, the process should be used to determine if internal control modifications are needed by considering events that have occurred, processes or procedures that have changed, new projects or programs that are being planned or implemented, and other changes within the agency that may have additional risks. If the review uncovers internal control weaknesses or if prior weaknesses still exist, they should be documented and addressed.

Periodically, an agency should conduct a comprehensive review of the internal control structure to determine if it is adequately addressing agency risks. This can be done agency-wide at one time or by sections of the agency over a period of time.

Agencies must maintain adequate written documentation of activities conducted in connection with risk assessments, review of internal control activities and follow-up actions. This documentation includes any checklists and methods used to complete these activities. Refer to Subsection 20.25.50 for required documentation. For sample checklists and procedures, refer to the OFM Administrative and Accounting Resources website at:
http://www.ofm.wa.gov/resources/default.asp.

Agencies have the flexibility to assign appropriate staff to complete the risk assessments and review of internal control activities required by this policy. The internal control officer is the person appointed by the agency head who is assigned responsibility for coordinating and scheduling the agency-wide effort of evaluating and reporting on reviews and improving control activities. The internal control officer also provides assurance to the agency head that the agency has performed the required risk assessments and the necessary evaluative processes. This communication may be ongoing and informal, but at least once per year, this assurance must be made in writing to the agency head.

The internal control officer is responsible for ensuring that the required documentation is maintained and available for review by agency management, the State Auditor's Office (SAO), and OFM.

Office of the Chief Information Officer (OCIO) Policy No. 151, states in part

Planning for IT Disaster Recovery and Business Resumption
POLICY STATEMENT

1. Each agency will develop disaster recovery/business resumption plans.
   1.1. Agencies dependent on voice telecommunications, data telecommunications, video telecommunications, or computer services for carrying out their missions must develop disaster recovery/business resumption plans.
   1.2. Agencies that purchase computer services or telecommunications services from other state agencies or commercial concerns will integrate their disaster recovery/business resumption plans, including off-site storage of data, with the service providers' plans.

2. Each agency will maintain and update disaster recovery/business resumption plans annually.
   2.1. Agencies will also update disaster recovery/business resumption plans following any significant change to their computing or telecommunications environment.
3. Each agency will test disaster recovery/business resumption plans annually.
   3.1. Agencies will correct any deficiencies revealed by the test. The type and extent of testing adopted by an agency will depend on:
   - Criticality of agency business functions.
   - Cost of executing the test plan.
   - Budget availability.
   - Complexity of information system and components.
4. Each agency will train their employees to execute the recovery plans. Training will consist of:
   - Making employees aware of the need for a disaster recovery/business resumption plan.
   - Informing all employees of the existence of the plan and providing procedures to follow in the event of an emergency.
   - Training all personnel with responsibilities identified in the plan to perform the disaster recovery/business resumption procedures providing the opportunity for recovery teams to practice disaster recovery/business resumption skills.
5. Each agency will annually certify the updating and testing of the disaster recovery/business resumption plan.
   5.1. An annual disaster recovery/business resumption plan confirmation letter must be included in the agency IT portfolio and submitted to the OCIO by August 31 of each year. By way of this letter, the head of each agency confirms to the Board that a disaster recovery/business resumption plan has been reviewed, updated, and tested.
6. The State Auditor may audit disaster recovery/business resumption plans and tests for compliance with policy and standards.

2013-002 The University of Washington did not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act (FFATA) are filed for the Research and Development cluster.

Federal Awarding Agencies:	U.S. Department of Defense Department	
	U.S. National Science Foundation	
	U.S. Department of Health and Human Services National Institutes of Health	
Pass-Through Entity:	None	
CFDA Number and Title:	12.000	Department of Defense Contract Only
	12.300	Basic and Applied Scientific Research
	47.050	Geosciences
	93.351	Research Infrastructure Programs
	93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research
	93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders
	93.859	Biomedical Research and Research Training
	93.865	Child Health and Human Development Extramural Research
Federal Award Number:	Numerous	
Applicable Compliance Component:	Reporting	
Questioned Cost Amount:	None	

Background

The Federal Government sponsors a variety of research and development (R&D) activities using a variety of types of funding, most commonly grants, in order to achieve objectives agreed upon between the sponsoring agency and the grantee. The types of R&D conducted under these agreements also vary widely. The objective of individual projects is explained in the Federal award document. The University of Washington received $838.3 Million in Federal awards during fiscal year 2013, of that amount, $97.5 Million was passed through to subrecipients.

Under the Federal Funding Accountability and Transparency Act, the University is required to collect and report information on each sub-award of $25,000 or more in federal funds in the Federal Funding Accountability and Transparency Sub-award Reporting System. Reporting is required for federal funds having Accountability Act reporting terms and conditions included in the grant award. This generally applies to all new federal awards after October 2010. The reporting must be done by the end of the month following the month in which the sub-award was fully executed or obligated. The intent of the Accountability Act is to hold the government accountable for each spending decision and to reduce wasteful spending.

Description of Condition

The University does not have monitoring controls in place to ensure that subawards over $25,000 on applicable awards are reported in the Accountability Act reporting system.

Out of 28 subawards randomly selected, seven subawards were either reported between four and eleven months late, or were not reported at all. Additionally, all of the subawards that were reported late listed the incorrect award amount.

The University modified their reporting, both during and after the audit period, to show cumulative amounts rather than reporting each award separately, and did not keep copies of the reports prior to modification. We were unable to verify if

the individual obligations were reported, the accuracy of the reporting information at the time of reporting, and/or which version of the reporting the awards were included in.

Cause of Condition

The University does not have a process in place for tracking subawards after they have determined them to be subject to Accountability Act reporting, nor do they have a process for identifying which subaward reports are outstanding. We also determined there was no secondary review process in place before the reports were submitted.

Effect of Condition

By not correctly submitting the required Accountability Act reports, the federal government's ability to ensure transparency and accountability of federal spending is diminished. Grant conditions allow the grantor to penalize the University for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

We recommend the University of Washington put a process in place to track, monitor, and report subawards over $25,000 when required. We also recommend that a secondary review be performed prior to report submittal.

University's Response

The University has processes in place to review each prime award for each subaward executed to determine whether the prime award is FFATA applicable and therefore report the subaward in FSRS. Starting in December 2012 the University updated its FSRS reporting process to include maintaining a pdf copy of each report filed. The University will add a monthly review of all new prime awards that had subawards executed under them in that month to provide an additional review for FFATA applicability. In addition the University will add a secondary review of draft FSRS reports each month before submitting the reports to ensure all information has been entered accurately

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, 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.

(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 170 states in part:

APPENDIX A TO PART 170—AWARD TERM

I. Reporting Subawards and Executive Compensation.

a. Reporting of first-tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.
    i. You must report each obligating action described in paragraph a.1. of this award term to http://www.fsrs.gov.
    ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

2013-003 The Department of Commerce does not have sufficient internal controls to ensure all of its subrecipients receive audits as required.

Federal Awarding Agency:	U.S. Department of Housing and Urban Development U.S. Environmental Protection Agency U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	14.239 HOME Investment Partnerships 66.468 Capitalization Grants for Drinking Water 66.468A Capitalization Grants for Drinking Water – American Recovery and Reinvestment Act (ARRA) 93.568 Low Income Home Energy Assistance Program 93.569 Community Services Block Grant
Federal Award Number:	2013G992201; 2012G992201; 2012G99BX11; 2011G992204; 2011G992201; 2010G992212; M13-SG530100; MM11-SG-53-0100; M10-SG-53-0100; FS-99083911; FS-99083910; FS-99083909; FS-99083908; 2F-96087801 (ARRA) 13B1WACOSR; 10B1WACOSR; 901WACOS2; 09B1WACOSR;
Applicable Compliance Component:	Subrecipient Monitoring
Questioned Cost Amount:	None

Background

Federal regulations require the Department of Commerce to monitor the grant-funded activities of subrecipients. This includes ensuring that organizations that spend $500,000 or more in federal grant money during a fiscal year receive an audit of expenditures and internal controls over that money, in accordance with the federal Office of Management and Budget Circular A-133. This requirement is designed to ensure grant money is used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements. Grant recipients must submit the results of these audits to a federal clearinghouse within nine months of their fiscal year end.

The Department also has a written policy and procedures aimed at ensuring all subrecipient audits are received, reviewed, and entered into the central database. The audit policy and procedures specify that it is the responsibility of the program managers to ensure the Department's contractors comply with applicable audit requirements in a timely manner.

In October 2012, the Department enhanced its Contract Management system with a new audit tracking module. Once the audit reports are received, they are reviewed and input in the Department's central audit tracking database. The internal auditor reviews the audit reports and notifies the program managers of the programs with federal dollars at risk. If findings are reported, the program manager is responsible for requesting a corrective action plan from the subrecipient and for ensuring the corrective actions are performed.

Description of Condition

The Department has not established an effective process to ensure its subrecipients submit audit reports timely. Currently, the program managers wait for subrecipients to submit their audit reports to the Department. Program managers also rely on internal audit to handle the audit tracking function. This approach alone is not sufficient to ensure timely compliance with the audit requirement.

The Department does not have a sufficient tracking mechanism at the program level or the central level to ensure each subrecipient meeting the dollar threshold is receiving an audit. This includes ensuring that subrecipients who receive less than $500,000 from the Department obtain an audit when required. Currently, the Department does not have a way of determining if subrecipients receive federal funding from other sources. Without further contact with these subrecipients, the Department does not know whether they have met the audit requirement.

Audits received centrally are recorded and tracked in the new audit tracking module. However, system reports are not generated at a sufficient frequency to ensure the Department follows up timely on past due audit reports.

We reported similar issues during the fiscal year 2011 and 2012 audits.

Cause of Condition

The Department has a policy that would ensure compliance with federal requirements, but failed to follow it. Responsibilities for ensuring required audits are obtained and submitted timely, as outlined in the policy, are not clearly communicated with or sufficiently understood by program managers. While the Department invested in new audit tracking capabilities, it does not utilize them effectively to ensure that all subrecipients who need an audit have one performed and submit it to the Department within the nine month period specified in the contract provisions.

Effect of Condition

We judgmentally selected 22 subrecipients across programs that received at least $500,000 directly from the Department. The Department did not have audit reports for three of the 22 subrecipients as required by OMB Circular A-133. We also found seven of the reports were received by the Department after the nine month deadline including one report that was 311 days late.

We selected three additional subrecipients that were missing audit reports during our fiscal year 2012 audit. One of them was still missing an audit report, and two reports were received more than nine months after the deadline.

The Department cannot be certain whether all of its subrecipients who met the threshold for an A-133 audit complied with federal grant requirements and therefore, cannot ensure that it has met the monitoring requirement of its federal grantor.

Recommendation

We recommend the Department ensure that its existing audit policy and procedures are clearly communicated, understood, and followed by program staff. Additionally, we recommend the Department develop specific controls to determine the federal audit status of all subrecipients. These controls should be aimed at preventing rather than simply addressing noncompliance.

Department's Response

The Department concurs with the finding. To address the fiscal year 2012 subrecipient finding, the Department enhanced its capabilities in the Contract Management System (CMS) to provide a report of those entities expending $500,000 or more in federal funds, the entity's fiscal year end date, and the due date of the A-133 audit.

The fiscal year 2013 finding states the Department lacked clear communication on policies and procedures. The Department will review existing policies and procedures to more clearly articulate the responsibilities of the Internal Auditor and Program Managers for these processes. The Department will communicate the results of the review through all levels of the agency. Corrective action will include reviewing current policies and procedures, establishing roles and responsibilities, and stating time frames.

Updates to policies and procedures will include production of a quarterly report for divisions to use to identify A-133 audit reports that are due. The reports will enable the Department to proactively remind entities of their audit report due dates. The policy will provide guidance when audit reports are delinquent. Training related to policy changes will be tracked. Testing of the implementation will be conducted. The Department will obtain the missing audit reports identified in the finding.

During fiscal year 2013, the Department began a process of identifying and contacting grantees that did not meet the threshold for A-133 audit requirements. The Department will continue to enhance the process of identifying those recipients who received less than $500,000 from the Department and may have received federal funding from other sources. This will ensure the Department identifies and obtains the required audit reports.

The Internal Auditor will report to executive management quarterly on the progress to obtain missing A-133 reports, provide data on audit reports currently received or due, training attendance, and improvements made to existing processes.

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*, states in part:

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(d) - Pass-through entity responsibilities.

(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.

2013-004 The Department of Commerce does not have sufficient internal controls to ensure HOME Investment Partnership program income is used before requesting federal cash draws.

Federal Awarding Agency:	U.S. Department of Housing and Urban Development
Pass-Through Entity:	None
CFDA Number and Title:	14.239 HOME Investment Partnership
Federal Award Number:	M09-SG-53-0100, M10-SG-53-0100, M11-SG-53-0100, M13-SG530100
Applicable Compliance Component:	Program Income and Cash Management
Questioned Cost Amount:	None

Background

The HOME Investment Partnership program is designed to provide decent and affordable housing for low-income households. The Department of Commerce administers the HOME program. The Department uses HOME funds for two major programs: HOME General Purpose program and HOME Tenants Based Rental Assistance program. The General Program supports the construction, acquisition or rehabilitation of affordable housing units and creates rental and homeownership opportunities statewide for low-income households. The Tenants Based program provides homeless and low-income households with rental assistance.

For the General Purpose program, the Department provides the HOME loans to local governments, housing authorities or nonprofits to finance the construction of multi-family rental housing units. The Department receives program income through payments of principal and interest on the loans. Federal regulations require the Department pay out the program income before requesting additional federal cash draws.

In fiscal year 2013, the Department requested close to $7 million of HOME funds. The program generated approximately $1,053,500 in program income.

During our fiscal year 2012 audit we determined the Department's HOME program did not have sufficient internal controls to ensure that program income was used prior to drawing federal funds.

As part of our fiscal year 2013 audit, we reviewed the Department's Finding and Corrective Action Plan to determine the status of the prior audit finding. The Department's corrective action plan provides for establishing procedures and internal controls to ensure program income is used prior to drawing federal funds. It also states that the US Bank HOME Program Income account will be reconciled monthly by fiscal staff and the balance provided to HOME program managers to record the income into the Integrated Disbursement & Information System. It further states that program managers will review the program income balance in the federal system and use those funds prior to drawing grant funds and that the account will be brought as close to zero as possible before the federal cash draw is requested.

The completion date of the corrective action was listed as November 2012.

Description of Condition

We found the Department does not have controls in place to ensure all HOME program income is used before requesting additional federal HOME funds. Further, the Department had not established a process for entering information on program income receipts into the federal Integrated Disbursement & Information System on a regular basis. We noted that, while the Department took steps to reduce the program income account balance, it did not fully complete its corrective action plan causing federal funds to continue to be drawn prior to using program income.

Specifically we found:

1) Program income was not drawn prior to requesting federal funds. Federal draws were made throughout the year totaling $6,963,699. The Department made an effort to reduce the balance of the program income account by making monthly draws from September 2012 to March 2013 for a total of $1,053,534, yet they did not draw program income to zero at any time prior to drawing additional federal funds. Further, federal draws made during the months of April, May and June 2013 where not offset by available program income.

2) Program income balance on June 30, 2013 was $352,229. In addition, we further note that although outside of our audit period, we found the Department continued to draw federal funds without using program income after our audit period and the program income balance grew to $573,545 as of January 31, 2014.

3) Program income was not recorded in the federal Integrated Disbursement & Information System on a monthly basis. The Department had not established a process for entering information on program income receipts into the federal Integrated Disbursement & Information System on a regular basis. Our analysis of the program income detail report revealed that no program income was recorded during fiscal year 2013 in the federal system. Additionally, only one cumulative entry was made on August 12, 2013 to record all of the fiscal year 2013 program income.

Cause of Condition

The program income account is reconciled monthly by fiscal staff and reports are forwarded to HOME program managers to enter the receipts into the Integrated Disbursement & Information System. While this process provides useful information on the available program income balance, it does not show the most current account balance. As a result, the Department cannot ensure that all program income available at the time of the draw is offset against the federal draw.

Further, the Department did not have an established process for entering program income information into the Integrated Disbursement & Information System as required by the federal grantor. Because receipts were not entered timely into the system, federal draws were not reduced by the amount of program income available causing excess federal funds to be drawn. The Department cites difficulties with working in the federal system and reconciling the federal system to the account balance as a cause for the condition.

Effect of Condition

As a result of this condition the Department received excess federal funds of approximately $350,000 during fiscal year 2013. Without a process to ensure that program income receipts are entered timely into the system, the Department cannot ensure that it complies with the requirement of its federal grantor to use program income first.

Additionally, the Department may be required to submit interest earned on this money to the federal government, if the interest earnings exceeded $100.

Recommendation

We recommend the Department:

- Enter all program income receipts into the Integrated Disbursement and Information System in a timely manner prior to making a draw.
- Develop policies and procedures necessary to disburse HOME program income before requesting additional federal cash draws.
- Consult with its grantor and the state Office of Financial Management to determine if any interest earnings are owed to the federal government.

Department's Response

The Department concurs with the finding. The Department did not record program income in the Integrated Disbursement and Information System (IDIS) in 2013 because staff new to the program was unable to navigate IDIS and was unaware of the requirement to input program income information. The reconciliation did not identify the missing IDIS information; it only included the bank and account balances.

The current reconciliation process will be reviewed to strengthen internal controls. The Department will refine its methodology for ensuring program income is spent before federal funds are drawn. The methodology will address the use of program income for both project and administrative costs.

In addition, the HOME program will update the procedures manual to:

- *Reference the regulations related to HOME program income*

- *Provide detailed navigation steps for IDIS*
- *Assign specific staff responsibilities*
- *Include instructions for establishing discrete accounting codes for federal and program income funds, to include separate codes for Department administration, grantee administration, and project expenses*

The Accounting Department will update the procedures manual to:

- *Reference the regulations for use of HOME program income*
- *Outline the steps required before federal dollars are drawn, including the requirement for entering the program income into IDIS prior to drawing funds*
- *Assign specific staff responsibilities, including supervisory review*
- *Identify the timing of notification to program management of program income balances*

Oversight of our corrective actions will include:

- *Monthly report of program income balance, interest earned, and uses of the balances to the Program Manager of the HOME Program*
- *Monthly review by the Accounting Supervisor of the reconciliation*
- *Testing of the corrective action process by the Internal Auditor to ensure the corrective actions implemented effectively address federal draw requirements*

The Department determined the interest on the program income account was $96. The Department will ensure the interest earned on the program income remains below the $100 in the future by maintaining a minimal balance in the program income bank account.

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:
>
> (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.

Circular A-102 Common Rule for the administration of grants and cooperative agreements to state and local governments, 24 C.F.R. §85.21 Payment, states in part:

> (f) Effect of program income, refunds, and audit recoveries on payment.
> (1) Grantees and subgrantees shall disburse repayments to and interest earned on a revolving fund before requesting additional cash payments for the same activity.
> (2) Except as provided in paragraph (f)(1) of this section, grantees and subgrantees shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting additional cash payments.

U.S. Office of Management and Budget Circular A-102, *Grants And Cooperative Agreements With State and Local Governments*, states in part:

e. Program Income

(2) Federal agencies shall instruct grantees to deduct program income from total program costs as specified in the grants management common rule at paragraph __.25 (g)(1), unless agency regulations or the terms of the grant award state otherwise. Authorization for recipients to follow the other alternatives in paragraph __.25 (g) (2) and (3) shall be granted sparingly.

U.S. Office of Management and Budget Circular A-133 Compliance Supplement 2012, Part 3-Compliance Requirements, C. Cash Management, states in part:

. . .interest earned by local government and Indian tribal government grantees and subgrantees on advances is required to be submitted promptly, but at least quarterly, to the Federal agency. Up to $100 per year may be kept for administrative expenses.

Title 24, Code of Federal Regulations, part 92, section 502 - Program disbursement and information system, states in part:

(c) Disbursement of HOME funds.

(1) After complete project set-up information is entered into the disbursement and information system, HOME funds for the project may be drawn down from the United States Treasury account by the participating jurisdiction by electronic funds transfer. The funds will be deposited in the local account of the HOME Investment Trust Fund of the participating jurisdiction within 48 to 72 hours of the disbursement request. Any drawdown of HOME funds from the United States Treasury account is conditioned upon the provision of satisfactory information by the participating jurisdiction about the project or tenant-based rental assistance and compliance with other procedures, as specified by HUD.

(2) HOME funds drawn from the United States Treasury account must be expended for eligible costs within 15 days. Any interest earned within the 15 day period may be retained by the participating jurisdiction as HOME funds. Any funds that are drawn down and not expended for eligible costs within 15days of the disbursement must be returned to HUD for deposit in the participating jurisdiction's United States Treasury account of the HOME Investment Trust Fund. Interest earned after 15 days belongs to the United States and must be remitted promptly, but at least quarterly, to HUD, except that a local participating jurisdiction may retain interest amounts up to $100 per year for administrative expenses and States are subject to the Intergovernmental Cooperation Act (31 U.S.C. 6501 et seq.).

(3) HOME funds in the local account of the HOME Investment Trust Fund must be disbursed before requests are made for HOME funds in the United States Treasury account.

Title 2, Code of Federal Regulations, Grants and Agreements, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart f – Audit Requirements, Section 200.516, Audit findings, states in part:

(a) *Audit findings reported.* The auditor must report the following as audit findings in a schedule of findings and questioned costs:

(7) Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with §200.511 Audit findings follow-up, paragraph (b) materially misrepresents the status of any prior audit finding.

2013-005 The Employment Security Department did not attempt to collect $881,375 overpaid to claimants for Federal Additional Compensation unemployment insurance.

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-23925-13-55-A-53; UI-22347-12-55-A-53; UI-21133-11-55-A-53;
Applicable Compliance Component:	Special Tests and Provisions
Questioned Cost Amount:	$881,375 ARRA

Background

The Employment Security Department administers the Unemployment Insurance program that provides benefits to workers during periods of involuntary unemployment. The federal government and employers in Washington State primarily fund the program. In fiscal year 2013, Employment Security paid approximately $2 billion in benefits, $849 million of which was paid with money from the federal government.

As part of the American Recovery and Reinvestment Act legislation, states were allowed to issue an extra $25 per benefit week in Temporary Federal Additional Compensation to eligible claimants. This $25 was added to the regular weekly benefit for each claimant. In Washington State, these payments were made for benefit weeks between February 28, 2009 and December 11, 2010. The Department issued approximately $479 million in these payments during that time.

When the Department determines a benefit payment was improper, an overpayment is assessed and an overpayment notice letter is sent to claimants informing them of the amount they owe. The notice letters for overpayments that included the Federal Additional Compensation money contained the following statement: "*Since you are at fault for causing the overpayment, you are also at fault for the Federal Additional Compensation (FAC) payments in the amount of $__. We will bill you for this at a later date.*"

Once an overpayment notice letter is sent to a claimant, the Department has three years in which to initiate collection action. State law does not allow proceedings to collect such overpayments to begin after the three years have elapsed. The total outstanding Federal Additional Compensation overpayments as of June 30, 2013 was $6,490,682

Description of Condition

The Department has established collection methods for benefit overpayments that begin shortly after the overpayment notice letter is sent. The Department did not use these methods to collect on Federal Additional Compensation overpayments during the first part of fiscal year 2013. Between July 1, 2012 and September 7, 2012, the Department was unable to commence collection activity for $881,375 in Federal Additional Compensation overpayments. The Department had three years to begin collection of these overpayments before they became uncollectible under state law. All of these overpayments are now uncollectible.

Cause of Condition

The Department relies on software systems to record and track overpayments. Beginning in fiscal year 2009, and continuing through fiscal year 2012, the federal and state governments have passed legislation that made significant changes to the Unemployment Insurance program. Each change required the Department to reprogram its software systems. Due to the complexity of programming changes and limitations on staff able to perform them, the Department

was not able to make all changes immediately, but instead had to prioritize each change as it occurred. The Federal Additional Compensation overpayments were not incorporated into the software system and were not included in the Department's collections.

On September 7, 2012, the Department completed the necessary computer programming to bill, collect, and account for Federal Additional Compensation overpayments. Billing statements were subsequently mailed to claimants who had outstanding Federal Additional Compensation overpayment balances. As of June 30, 2013, the Department successfully collected $4,167,784 in these overpayments. Department efforts will continue as permitted by state and federal law to collect outstanding Federal Additional Compensation overpayment balances.

Effect of Condition and Questioned Costs

Between July 1, 2012 and September 7, 2012, $881,375 in Federal Additional Compensation overpayments became uncollectible because the Department had not initiated collection by the deadline for doing so. We are questioning these costs since the Department identified them as overpayments and did not attempt to collect them.

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 continue to bill, collect, and account for collection of Federal Additional Compensation overpayments before they become uncollectible.

The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Department's Response

As noted by the auditor, effective September 7, 2012 the Employment Security Department took the required steps to calculate, bill and collect FAC overpayments. The audit confirms the department has been successfully collecting FAC overpayments. As of August 30, 2013 ESD has billed 72,027 claimants for a total of $11,718,950 in FAC overpayments and collected $4,376,838 in principal and interest. Active collection efforts continue.

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.

Assistance for Unemployed Workers and Struggling Families Act- Section 2002, Agreement Between the State of Washington and the Secretary of Labor, U.S. Department of Labor, states in part:

> VIII. The Agency will take such action as reasonably may be necessary to recover for the account of the United States all benefit amounts erroneously paid and restore any lost or misapplied funds paid to the state for benefits or the administration of this agreement.

Revised Code of Washington 50.24.190, Limitation of actions, states in part:

> The commissioner shall commence action for the collection of contributions, interest, penalties, and benefit overpayments imposed by this title by assessment or suit within three years after a return is filed or notice of benefit overpayment is served. No proceedings for the collection of such amounts shall be begun after the expiration of such period.

2013-006 The Employment Security Department did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Workforce Investment Act program.

Federal Awarding Agency:	U.S. Department of Labor
Pass-Through Entity:	None
CFDA Number and Title:	17.258 WIA Adult Program 17.258A WIA Adult Program – American Recovery and Reinvestment Act (ARRA) 17.259 WIA Youth Activities 17.260A WIA Dislocated Workers – American Recovery and Reinvestment Act (ARRA) 17.278 WIA Dislocated Worker Formula Grants
Federal Award Number:	AA-20227-10-55-A-53, AA-21429-11-55-A-53, AA-22969-12-55-A-53, AA-24126-13-55-A-53
Applicable Compliance Component:	Reporting
Questioned Cost Amount:	None

Background

The federal Workforce Investment Act (WIA) provides a range of workforce development activities administered through the Employment Security Department and local area Workforce Development Councils (WDCs). These activities provide employment and training services designed to benefit employers, dislocated workers, and low-income youth.

The Department spent $58 million in WIA funds in fiscal year 2013, of which nearly $55 million was distributed to subrecipients.

Under the Federal Funding Accountability and Transparency Act, the Department is required to collect and report information on each sub-award of $25,000 or more in federal funds in the Federal Funding Accountability and Transparency Sub-award Reporting System. The reporting must be done by the end of the month following the month in which the sub-award was made. The intent of the Accountability Act is to empower citizens with the ability to hold the government accountable for spending decisions and, as a result, reduce wasteful spending in the government.

Description of Condition

We obtained a listing from the Department's Contracts Office showing that there were 119 WIA sub-awards entered into during fiscal year 2013.

During our review, we found the Department did not have internal controls in place to ensure the fiscal year 2013 Accountability Act reports were filed correctly.

We learned that the employee responsible for Accountability Act reporting does not track and enter each sub-award separately into the Federal Funding Accountability and Transparency Act Subaward Reporting System. In January 2013, the Department reported a lump sum total for each WDC. We inquired about a secondary review for entering the information, and were informed that this employee is the only person involved in the process of tracking and entering into the federal electronic reporting system.

The employee's understanding is that it was appropriate to report a lump sum for each WDC, because each WDC has their own Data Universal Numbering System (DUNS) number. The employee was not aware that sub-awards are required to be reported separately by the end of the following month after the contract was signed.

Cause of Condition

The Department did not have policies and procedures to ensure it was compliant with the Accountability Act reporting requirements.

The Department had one employee assigned to file the required reports. This employee was not aware of proper Accountability Act reporting requirements. There was no independent review of the employee's work to verify Accountability Act reports were being filed as required. The Department did not have a process to monitor grant activities to ensure the information was accurately submitted.

Effect of Condition

By not correctly submitting the required Accountability Act reports, the federal government's ability to ensure transparency and accountability of federal spending is diminished. Grant conditions allow the grantor to penalize the Department for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

We recommend the Department establish policies and procedures to ensure all Accountability Act reports are submitted accurately and timely.

Department's Response

The Employment Security Department is aware of its responsibility for reporting federal sub-grant awards on the Federal Funding Accountability Transparency Act Sub-award Reporting System (FSRS). The department has developed policies and procedures for ensuring sub-awards are properly reported on the FSRS and that entries are reviewed and reconciled to the federal grant documents for accuracy.

Also, the department has attempted for several months to update the information in the FSRS and has been unable to do so. ESD has been unable to update a critical field required for reporting purposes (zip code plus 4 in the address field). Department staff have contacted the federal website help desk several times and have been unable to get assistance to resolve the issue. The department is documenting these attempts as directed by the State Auditor's Office to reflect our good faith effort to comply with this requirement.

ESD will continue to pursue resolution of this issue until it is corrected at the federal level and we are able to report our sub-grant information.

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 2, Code of Federal Regulations, APPENDIX A TO PART 170—AWARD TERM, states, in part:

> I. Reporting Subawards and Executive Compensation.
>
> a. Reporting of first-tier subawards.
>
> 1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery

funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.
   i. You must report each obligating action described in paragraph a.1. of this award term to http://www.fsrs.gov.
   ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

2013-007 The Department of Ecology did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Performance Partnership Grant program.

Federal Awarding Agency:	U.S. Environmental Protection Agency
Pass-Through Entity:	None
CFDA Number and Title:	66.605 Performance Partnership Grant
Federal Award Number:	BG-99086007
Applicable Compliance Component:	Reporting
Questioned Cost Amount:	None

Background

The Washington State Department of Ecology administers the Performance Partnership Grant. This federal grant enhances the water and air quality work the Department performs.

The Department distributes money to seven local air quality agencies. When the Department gives an award to one of these entities it generally includes federal grant funds and state funds and covers two fiscal years. These entities use the funds to:

- Prevent and reduce air pollution, which includes ensuring compliance with all air quality laws and regulations
- Reduce emissions of high priority air pollutants, especially fine particles (PM2.5), ozone precursors, and air toxics
- Prevent violations of federal air quality standards; and
- Increase efficiencies and reduce transaction costs in air quality program administration and implementation

The Department spent approximately $10.5 million in Performance Partnership Grant funds in fiscal year 2013.

Under the Federal Funding Accountability and Transparency Act, the Department is required to collect and report information on each sub-award or amendment of $25,000 or more in federal funds in the Federal Funding Accountability and Transparency Sub-award Reporting System. The reporting must be done by the end of the month following the month in which the sub-award was made. The intent of the Accountability Act is to empower citizens with the ability to hold the government accountable for spending decisions and, as a result, reduce wasteful spending in the government.

Description of Condition

We determined there were two sub-awards or amendments totaling $135,335 entered into during fiscal year 2013 that should have been reported in the Federal Funding Accountability and Transparency Act Subaward Reporting System for the Performance Partnership Grant program. The Department actually reported 12 subawards totaling $4,890,490 during fiscal year 2013.

During our review, we found the Department did not have sufficient internal controls in place to ensure the fiscal year 2013 Accountability Act reports were filed correctly. The Department was reporting awards that had already been previously reported; some of which were reported correctly and some with the wrong dollar amount. We also found some reports that were reported more than one time.

	Amount that Should Have Been Reported	Date the Report was Due	Amount and Date Actually Reported				
			12/6/2011	12/6/2011	1/27/2013	1/27/2013	Cumulative Reporting Errors
	$ 267,122.00	9/30/2011	$ 267,122.00		$ 267,122.00	$ 267,122.00	$ 534,244.00
	$1,811,838.00	10/31/2011	$1,269,498.00		$1,269,498.00	$1,269,498.00	$1,996,656.00
	$ 105,335.00	7/31/2012					$ (105,335.00)
	$ 30,000.00	10/31/2012			$ 30,000.00		$ -
	$ 389,264.00	10/31/2011	$ 389,264.00				$ -
	$ 163,243.00	9/30/2011	$ 135,846.00		$ 135,846.00	$ 135,846.00	$ 244,295.00
	$ 352,453.00	9/30/2011	$ 352,453.00		$ 352,453.00	$ 352,453.00	$ 704,906.00
	$ 308,604.00	9/30/2011	$ 267,612.00	$267,612.00	$ 267,612.00		$ 494,232.00
	$ 393,264.00	10/31/2011	$ 271,520.00		$ 271,520.00	$ 271,520.00	$ 421,296.00
Totals	**$3,821,123.00**		**$3,220,927.00**		**$4,890,490.00**		**$ 4,290,294.00**

Cause of Condition

While the Department had policies and procedures in place, they were not sufficient to ensure it was compliant with the Accountability Act reporting requirements. The written guidance provided to the program and fiscal staff was unclear as to what amounts should be reported and when an amount was reportable.

The process in place for identifying whether a report had already been filed was not sufficient to prevent double and triple reporting. The written guidance provided to staff for this process was also insufficient to ensure accurate reporting.

The Department had assigned the responsibility to submit the required reports to program and fiscal staff but did not have supervisory or managerial reviews in place.

Effect of Condition

By not reporting proper amounts and reporting awards multiple times, the information available to the public was incorrect. When viewing the federal awards in the public system users should have seen nine awards totaling $3,821,123, however what was actually reported was 20 awards totaling $8,111,417.

By not correctly submitting the required Accountability Act reports, the federal government's ability to ensure transparency and accountability of federal spending is diminished. Grant conditions allow the grantor to penalize the Department for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

We recommend the Department establish policies and procedures to ensure Accountability Act reports are submitted accurately. We also recommend the Department correct the subawards that have been improperly reported in the Federal Funding Accountability and Transparency Sub-award Reporting System.

Department's Response

The Department concurs with the finding. To address the weaknesses noted in the finding, Ecology has:

- *Conducted training on Federal Funding Accountability and Transparency Act reporting requirements.*
- *Clarified written procedures to ensure Accountability Act reports are submitted accurately and timely.*

- *Corrected improper reporting in the Federal Funding Accountability and Transparency Sub-award Reporting System.*
- *Communicated updated procedure and conducted training to the team assigned the responsibility of reporting Accountability Act data.*

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:
>
> (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, Appendix A To Part 170—Award Term, states, in part:

> I. Reporting Subawards and Executive Compensation.
>
> a. Reporting of first-tier subawards.
>
> 1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subaward to an entity (see definitions in paragraph e. of this award term).
> 2. Where and when to report.
>
> i. You must report each obligating action described in paragraph a.1. of this award term to http://www.fsrs.gov.
>
> ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
>
> 3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

2013-008 The Department of Ecology improperly claimed $53,971.49 in federal reimbursement for the Performance Partnership Grant program.

Federal Awarding Agency:	U.S. Environmental Protection Agency
Pass-Through Entity:	None
CFDA Number and Title:	66.605 Performance Partnership Grant
Federal Award Number:	BG-99086007
Applicable Compliance Component:	Activities Allowed/Cost Principles
Questioned Cost Amount:	$53,971.49

Background

The Washington State Department of Ecology administers the Performance Partnership Grant. This federal grant enhances the water and air quality work the Department performs. The Department spent approximately $10.5 million in Performance Partnership Grant funds in fiscal year 2013 and over $5.5 million was spent on employee salaries and benefits.

Federal regulations specify the documentation grantees must keep to support employee compensation charged to federal grants. Payroll costs for employees who work on multiple activities must be supported by personnel activity reports or equivalent documentation, such as timesheets. When an employee uses paid leave time it can be charged to a federal grant only in proportion to the average amount of regular work time charged to the grant. All Department employees whose direct salaries are paid with Performance Partnership Grant funds keep timesheets and record the amount of leave time to charge to the federal grant as a separate item on their timesheet.

Description of Condition

We identified five employees who did not charge paid leave time to the federal grant in proportion to the amount of regular time worked on the grant during the month of November. Because leave time should be charged based on the average amount of time charged to the grant, we expanded our testing for these five individuals to determine if November was representative of their normal division of work. We examined the total amount of time charged to the grant for fiscal years 2012 and 2013 and compared the percentage of regular time worked on the grant to the percentage of leave time charged to the grant. We identified the following:

Employee	Percentage of actual work time charged to the grant	Percentage of leave charged to PPG	Amount the grant was overcharged
Employee #1	7.3%	80.7%	$ 3,449.70
Employee #2	0.6%	65.5%	$ 15,263.43
Employee #3	0.5%	68.4%	$ 13,137.13
Employee #4	43.8%	81.6%	$ 8,374.41
Employee #5	19.7%	100.0%	$ 13,746.83
Total Amount the grant was overcharged			**$ 53,971.49**

Based on our testing we determined the five employees in question were charging leave to the grant at a much higher rate than their actual hours worked were charged.

Cause of Condition

For four employees the review of the time sheets by supervisory staff was insufficient to ensure the grant was properly charged. The Department stated a staff member had created an incorrect master time sheet template and had provided it to other staff members to use. While this may have caused the initial errors, the improper charging of time by the four employees occurred many times and was not detected during the supervisory review of time sheets.

The Department instructed one employee to charge all of their leave to the federal grant even though regular work hours were charged to other sources, including another federal program. The decision to charge the grant for all leave was made without knowledge that this method of allocation is not allowable.

The Department does not have written payroll policies in place to provide guidance on how time is to be charged to a federal grant.

Effect of Condition and Questioned Costs

The Department requested reimbursement for $53,971.49 in fringe benefits that were unallowable costs. We are questioning costs because the Department did not charge the grant in accordance with federal regulations.

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 ensure supervisors who are reviewing employee time sheets are knowledgeable to perform an accurate review and identify improper charges prior to approval. We also recommend the Department establish policies and procedures to ensure managers, supervisors and staff have guidance on how to properly charge work and leave time to federal grant programs.

Department's Response

The Department concurs with the finding. We will establish procedures to ensure managers, supervisors and staff have guidance on how to properly charge work and leave time to federal grant programs. Ecology will consult with the Environmental Protection Agency to determine if any questioned costs should be repaid.

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

2 CFR § 225, Appendix B, Circular No. A 87, Selected Items of Cost, states in part:

8. *Compensation for personal services.*
   d. Fringe benefits.
      (1) Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, governmental unit employee agreement, or an established policy of the governmental unit.
      (2) The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, sick leave, holidays, court leave, military

leave, and other similar benefits, are allowable if: (a) they are provided under established written leave policies; (b) the costs are equitably allocated to all related activities, including Federal awards; and, (c) the accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the governmental unit.

2013-009 The Office of the Superintendent of Public Instruction does not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Migrant Education and Title IIA Improving Teacher Quality programs are filed.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.011 Migrant Education
	84.367 Tittle IIA Improving Teacher Quality
Federal Award Number:	S011A120048, S367A120045
Applicable Compliance Component:	Reporting
Questioned Cost Amount:	None

Background

The Migrant Education program is administered by the Office of the Superintendent of Public Instruction. The Migrant Education program is responsible for the delivery of broad-based and diverse programming that targets the unique population of migrant youth.

The Office spent approximately $15.2 million in Migrant Education program funds in fiscal year 2013, of which approximately $12.1 million was distributed to subrecipients.

The Title IIA program is administered by the Office of the Superintendent of Public Instruction. The Title IIA program is responsible for providing funds to local education agencies to improve teacher and principal quality.

The Office spent approximately $41.4 million in the Title IIA program funds in fiscal year 2013, of which approximately $40.7 million was distributed to subrecipients.

Under the Federal Funding Accountability and Transparency Act, the Office is required to collect and report information on each sub-award of $25,000 or more in federal funds in the Federal Funding Accountability and Transparency Sub-award Reporting System. The reporting must be done by the end of the month following the month in which the sub-award was made. The intent of the Accountability Act is to empower citizens with the ability to hold the government accountable for spending decisions and, as a result, reduce wasteful spending in the government.

Description of Condition

The Office did not have internal controls in place to ensure all required sub-awards were reported through the Federal Funding Accountability and Transparency Sub-Award Reporting System for fiscal year 2013.

For the Migrant Education program, the employee responsible for Accountability Act reporting was not aware that all subrecipients paid over $25,000 had not been reported through the Federal Funding Accountability and Transparency Sub-award Reporting System. The employee had reported all 51 sub-awards related to school-year program funding, however, had overlooked the filing of sub-awards related to summer program funding.

The Office made 13 sub-awards for the summer program totaling $969,444. We determined that all 13 sub-awards were not filed during the audit period. The agency submitted the 13 sub-awards in February 2014.

Further, for the Title IIA program there were 182 sub-awards over $25,000 in the fiscal year. We found the Office did not file 87 sub-awards for the month of September 2012 and one sub-award for the month of December 2012 through the Federal Funding Accountability and Transparency Sub-award Reporting System. The agency subsequently submitted these 88 sub-awards in January 2014.

Cause of Condition

The Office did not have policies and procedures to ensure it was compliant with the Accountability Act reporting requirements.

The Office had one employee assigned to file the required reports, who is no longer with the agency. The employee currently assigned to this responsibility was not aware that sub-awards for the summer program had not been filed. There was no independent review of the employee's work to verify Accountability Act reports were being filed as required.

Effect of Condition

By not correctly submitting the required Accountability Act reports, the federal government's ability to ensure transparency and accountability of federal spending is diminished. Grant conditions allow the grantor to penalize the Office for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

We recommend the Office establish policies and procedures to ensure all Accountability Act reports are submitted accurately and timely. We further recommend that a secondary review is conducted.

Office's Response

We concur that some sub-awards were not reported through the Federal Funding Accountability and Transparency Act Sub-Award Reporting System. An internal control will be put in place to ensure the monthly reporting of sub-awards is complete and accurate.

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:
>
> (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, APPENDIX A TO PART 170—AWARD TERM, states, in part:

> I. Reporting Subawards and Executive Compensation.
>
> a. Reporting of first-tier subawards.
>
> 1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subaward to an entity (see definitions in paragraph e. of this award term).
>
> 2. Where and when to report.
>
> i. You must report each obligating action described in paragraph a.1. of this award term to http://www.fsrs.gov.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS)

https://www.fss.gov/#a-faqs:

GRANTS

In accordance with 2 CFR Chapter 1, Part 170 REPORTING SUB-AWARD AND EXECUTIVE COMPENSATION INFORMATION, Prime Awardees awarded a federal grant are required to file a FFATA Sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than $25,000. The reporting requirements are as follows:

- This requirement is for both mandatory and discretionary grants awarded on or after October 1, 2010.

2013-010 The Office of the Superintendent of Public Instruction does not have sufficient controls over, and was not compliant with, the requirements for determining subawards for each school district's share of Migrant Education funding.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.011 Migrant Education-State Grant Program
Federal Award Number:	S011A120048
Applicable Compliance Component:	Special Tests and Provisions-Subgrant Process
Questioned Cost Amount:	None

Background

The Office of the Superintendent of Public Instruction administers the Migrant Education-State Grant Program in Washington State. The Migrant Education program is responsible for the delivery of broad-based and diverse programing that targets the unique population of migrant youth. Assistance can be used in many different ways and the funds are allocated to a State based on a consolidated application in which the applicant specifies how the funds will be used.

Federal regulations require states to incorporate four factors when determining the amount of Migrant Education funding to award to school districts. They are 1) the number of migrant children; 2) the needs of migrant children; 3) the statutory priority to first serve children who are failing, or most at risk of failing to meet the State's challenging State academic content standards and whose education has been interrupted during the regular school year; and 4) the availability of funds from other Federal, State and local programs.

In 2011 the U.S. Department of Education (ED) performed a site visit of the Office's Migrant Education program. During this visit, ED determined the Office was not properly calculating each district's funding amount. ED stated the Office was not taking into account multiple required criteria and was not following the process as outlined in its Consolidated State Application. In response to this finding the Office worked with ED to establish a funding formula that met federal regulations. This funding formula was then incorporated into the state consolidated application as an amendment dated August 1, 2012. In the amendment the Office explicitly states they will use this formula to calculate all subawards made with Migrant Education funds.

The Office spent approximately $15.2 million in Migrant Education program funds in fiscal year 2013. It awarded 94 subawards to districts totaling approximately $12.1 million; 66 of the subawards were for programs during the regular school year and 28 were for summer programs.

Description of Condition

The Office did not follow the funding formula specified in the Consolidated State Application when determining the amount of summer program subawards. The Office established a separate formula for determining the amount of subawards for the summer program and did not include all of the four federally required criteria. Because the Consolidated Application does not specify a separate formula for allocating summer program dollars we were unable to determine what the summer program awards should have been, or even if summer funds should have been awarded.

We also found the Office did not properly apply all of the criteria when calculating the regular year awards. Using the same supporting data the Office used to calculate the subawards, we were able to recalculate the amounts that should have been awarded for the regular school year programs. We determined that 17 subawards were over awarded by a total of $54,548. We also determined a total of 49 subawards were under awarded by the same amount. The average error for each subaward was $1,653 and the average error as a percentage of the award was 3 percent. The largest individual errors were an over award of $10,689 and an under award of $9,631.

Cause of Condition

The miscalculation of the summer program was a result of the Program Director believing a separate formula could be used for summer programs even though there is no mention of this in the State Consolidated Application or governing regulations.

The miscalculation of the regular school year program amounts was the result of an insufficient review of the subaward calculations prior to the awards being made. Program staff informed us the subaward formula was being defined at the same time the awards were being calculated. During this time the program was modifying the formula to determine what effects each factor would have and they did not readjust one of the factors after the final funding formula was determined. Once the calculations were completed they were reviewed by the Program Director and one staff member. The staff member reviewed for reasonableness and year to year variances, but not did not review the calculations. The Program Director also performed a review that included a sampling of some, but not all, of the calculations involved. Without a full secondary review the Office was unable to detect the error.

Effect of Condition

The funding formula requirements are designed to ensure the federal funding reaches those school districts and students with the most need. Not following the approved formula may have resulted in students receiving more services while others received less, resulting in inequitable services. Additionally, many eligible districts turn down the funds for this program after being told by the Office what their estimated funding level will be. When this calculation is not correct it may cause a district to reject an award it may have accepted if it was told the proper award amount.

We were unable to determine the effect of the improper calculation of the summer program funds because the data used for the calculations was not sufficient for us to recalculate.

By not calculating subawards in the manner stated in their application, the Office may be at risk the federal grantor will take actions that could adversely affect the program and/or the program funding.

R**ecommendation**

We recommend the Office calculate all subawards in accordance with their approved funding formula and federal regulations. If the Office wants to use a different formula to award funds for a summer program we recommend they work with their grantor and receive approval before using it

We also recommend the Office ensure the subaward calculations receive a secondary review that is sufficient to detect noncompliance with the approved funding formula.

Department's Response

We agree there was an error in the allocation of sub-awards for both regular and summer programs. The average error for each sub-award was $670 for the summer program and $1,653 for the regular program. An internal control will be put in place to ensure sub-awards are accurately calculated and comply 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 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.

CFR Title 34: Education

PART 76—STATE-ADMINISTERED PROGRAMS

Subpart G—What Are the Administrative Responsibilities of the State and Its Subgrantees?

GENERAL ADMINISTRATIVE RESPONSIBILITIES

§76.700 Compliance with statutes, regulations, State plan, and applications.

A State and a subgrantee shall comply with the State plan and applicable statutes, regulations, and approved applications, and shall use Federal funds in accordance with those statutes, regulations, plan, and applications.

20 USC§ 6394, Elementary and Secondary Education Title 1, Part C – Education of Migratory Children. State applications; services, states in part:

(a) Application required – Any State desiring to receive a grant under this part for any fiscal year shall submit an application to the Secretary at such time and in such manner as the Secretary may require.

(b) Program information- Each such application shall include—

….

(5) a description of how the State will determine the amount of any subgrants the State will award to local operating agencies, taking into account the numbers and needs of migratory children, the requirements of subsection (d), and the availability of funds from other Federal, State, and local programs;

(d) PRIORITY FOR SERVICES- In providing services with funds received under this part, each recipient of such funds shall give priority to migratory children who are failing, or most at risk of failing, to meet the State's challenging State academic content standards and challenging State student academic achievement standards, and whose education has been interrupted during the regular school year.

Washington State Migrant Education, Amendment to the Consolidated State Application

b) Title 1, Part C: Education of Migrant Children

Process to Award Sub-grants

A. Determine the projected funding allocation based on the State funding formula.
   1. The numbers of migrant children with a qualifying Certificate-of-Eligibility (COE).
   2. The needs of migrant children: Need in one or more of the academic areas (reading, math,writing, and science).
   3. The statutory priority: Number of students identified as Priority for Service.
   4. Other funds available
   5. Rural School Factor.

3) Title 1, Part C Education of Migrant Children

c) Description of how the State will determine the amount of any sub-grants the State will award to local operating agencies, taking into account the numbers and needs of migrant children, the statutory priority for service in section 1304(d), and the availability of funds from other Federal, State and local programs. (Applicable only if not previously addressed in Part II, #2.)

Subgrants will be awarded to local operating agencies based on the SEA funding formula

The state has amended the funding formula for distributing MEP funds that meets the requirements in section 1304(b) (5) of the statute and to respond to OME's compliance item (Finding 1 – State Administration: Subgrant Formula). Funding to LOA will be determined by the following factors:

LEA FUNDING FORMULA

FACTORS	WEIGHT	DEFINITIONS
Factor 1	1.0	Number of students with a qualifying Certificate-of- Eligibility (COE).
Factor 2	0.25	Need in one or more of the academic areas (reading, math, writing, and science). Student counted only once regardless of areas not meeting state standards.
Factor 3	1.0	Number of students identified as Priority for Service ***Criterion #1*** *–Migratory children whose education has been interrupted during the regular school year,* ***and*** ***Criterion #2*** *– Migratory children who are failing, or most at risk of failing, to meet the State's challenging State academic content standards and challenging State student academic achievement standards.*
Factor 4	Other funds available	Other funding sources (Title I A, Title III, Transitional Bilingual Program (TBIP), Learning Assistance Program (LAP) and Title I C divided into total migrant dollars allocated. Formula: Title I A + Title III +TBIP + LAP + Title I C = Total dollars Title I C dollars / by total dollars = percent of total other dollars

Other Funds Proportion	Rank	Increase or Decrease Factor	Weight- % of total Other $
Districts with a larger portion of "other funding".	0% - 5%	-15% factor	.85
	5% - 10%	-5% factor	.95
Districts with a median percentage of Title I Part C funds.	10% - 15%	No factor	1
Districts with smallest portion of "other funding" available.	15% - 20%	+5% factor	1.05
	25% and above	+15% factor	1.15

Factor 5	0.10	School districts that meet the definition of rural and are geographically remote. Washington State encompasses a large geographical area with approximately 50% of migrant families residing in rural areas of the state. The cost factor for LEAs to access support services such as parent regional meeting, state required trainings, professional development, and opportunities for students to participate in activities outside of the LEA require more resources.

2013-011 The Department of Services for the Blind charged indirect costs related to the Vocational Rehabilitation program to its federal grant without an approved indirect cost rate.

Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
CFDA Number and Title:	84.126 Vocational Rehabilitation Grants to States
Federal Award Number:	H126A120072
Applicable Compliance Component:	Allowable Costs/ Cost Principles
Questioned Cost Amount:	$1,119,396

Background

The Vocational Rehabilitation program is designed to assess, plan, develop, and provide vocational rehabilitation services for individuals with disabilities. The Department of Services for the Blind administers the federal Vocational Rehabilitation program for visually impaired individuals. The Department received approximately 16.3 percent ($8.6 million) of total federal Vocational Rehabilitation funding received by the state during fiscal year 2013.

When designing federal programs, states typically have both direct and indirect costs associated with the program. Direct costs are those that are directly related to the goals of the program, and can be charged directly to the grant. Indirect costs are those incurred for a common purpose and that benefit multiple programs. These costs must be split and charged to each benefitting program. In order to charge indirect costs to a federal award, grantees must have an approved cost allocation plan or indirect cost rate in place. States may be granted temporary rates to use during the fiscal year, and then a final rate will be determined after the fiscal year.

Description of Condition

The Department inappropriately charged indirect costs to the Vocational Rehabilitation program. The Department was issued a finding during the fiscal year 2012 audit for charging indirect costs without an approved rate. The Department acknowledged the audit finding and submitted a rate proposal to their federal oversight agency on April 9, 2013. Rehabilitation Services Administration received a copy of this submission which included the proposed plan and rate. This initial submission lacked sufficient detail and was not approved.

Cause of Condition

The Department continued to charge indirect costs to the grant using a rate not approved by the federal grantor. Management stated that they continued to charge indirect costs, because conversations with their grantor led them to believe the rate will be approved in the future.

Effect of Condition and Questioned Costs

We identified $1,119,396 in indirect expenditures charged to the federal grant during fiscal year 2013. Without an approved indirect cost rate, the federal grantor cannot ensure indirect costs charged to the grant are allowable or appropriate. We are questioning the indirect costs charged to the federal grant of $1,119,396.

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 work with its federal grantor to ensure an approved indirect cost proposal is established prior to submitting further indirect expenditures. We also recommend that once an indirect cost approval rate is received, that it be updated annually. The Department should ensure the approved correct rate is being applied to the program's indirect costs. The Department should consult with its grantor to determine if any questioned costs should be repaid.

Department's Response

The Department agrees with the audit finding. Upon the initial finding, the Department submitted an indirect cost rate proposal to the U.S. Department of Education/Indirect Cost Goup on February 26, 2013 and requested a negotiated settlement for questioned costs. In April, the Department contacted the Indirect Cost Goup to inquire on the status of the proposal and were informed that the proposal had not been received. The Department resubmitted the proposal and received confirmation of receipt on April 9, 2013. In May, the Department underwent a monitoring review by the U.S. Department of Education/Rehabilitation Services Administration. The report received from this review indicated that the Indirect Cost Group found the Department's proposal lacked sufficient detail to be approvable. The Department attempted on numerous occations to receive feedback on what was insufficient in the proposal. The Department met with a representative of the Rehabilitation Services Administration on August 29th and received feedback. Based on this information, the Department sent a revised plan to the Rehabilitation Services Administration to ascertain if the revised plan would be accepted by the Indirect Cost Group. On December 6th, the Department received additional feedback from the Rehabilitation Services Administration requesting additional information. The Department is currently revising the plan to meet the expectations of the U.S. Department of Education. It is hopeful that this will be resolved by January 31, 2014. Based on direction from the Rehabilitation Services Administration, the Department has ceased applying indirect costs to their federal grants.

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:
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

Code of Federal Regulations, Title 34 – Education, Part 76.560, states:

(a) The differences between direct and indirect costs and the principles for determining the general indirect cost rate that a grantee may use for grants under most programs are specified in the cost principles for—
   (1) Institutions of higher education, at 34 CFR 74.27;
   (2) Hospitals, at 34 CFR 74.27;
   (3) Other nonprofit organizations, at 34 CFR 74.27;
   (4) Commercial (for-profit) organizations, at 34 CFR 74.27; and
   (5) State and local governments and federally-recognized Indian tribal organizations, at 34 CFR 80.22.

(b) A grantee must have a current indirect cost rate agreement to charge indirect costs to a grant. To obtain an indirect cost rate, a grantee must submit an indirect cost proposal to its cognizant agency and negotiate an indirect cost rate agreement.

(c) The Secretary may establish a temporary indirect cost rate for a grantee that does not have an indirect cost rate agreement with its cognizant agency.

(d) The Secretary accepts an indirect cost rate negotiated by a grantee's cognizant agency, but may establish a restricted indirect cost rate for a grantee to satisfy the statutory requirements of certain programs administered by the Department.

2013-012 The Department of Health does not have sufficient internal controls to ensure it meets federal level of effort 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:	1U90TP000559; 2U90TP017010-10; 6U3REP090228
Applicable Compliance Component:	Level of Effort
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 public health emergencies.

The Department distributes money to hospitals, outpatient facilities, tribes, health centers, poison control centers, emergency management services and others. These entities oversee training, meetings, purchasing of supplies and equipment, and generate reports on the program. The Department spent approximately $12.3 million in Public Health Emergency Preparedness funds and $6.4 million in Hospital Preparedness Program funds in fiscal year 2013.

Under the Public Health Emergency Preparedness grant, the Department is required to maintain state-funded public health security spending at a level that is at least equal to the average of the previous two years spending. The Department is also required to maintain state-funded healthcare preparedness spending at a level that is at least equal to the average of the previous two years spending for the National Bioterrorism Hospital Preparedness grant.

We reported findings in our fiscal year 2011 and 2012 audits that noted the Department did not have sufficient internal controls to ensure compliance with level of effort requirements for either grant program.

Description of Condition

Through the end of fiscal year 2013 the Department had not enacted internal controls to monitor its level of effort requirements. Although a significant amount of state funds are spent on these two programs, the Department reported to the grantor that it spent $0 for its level of effort requirement. The Department received definitive guidance from the federal grantors in May of 2013 but did not enact new internal controls prior to the end of the fiscal year.

We determined the Department spent $ 268,690 less than what was required to meet its level of effort requirement for the National Bioterrorism Hospital Preparedness grant during fiscal year 2013.

Cause of Condition

The Department was not tracking level of effort spending because management previously determined the required expenditures under the federal level of effort requirement was $0. In May of 2013 the Department received clarification of its requirements from its federal grantors. While the Department now concurs, it was unable to establish controls prior to the end of the fiscal year to ensure it met level of effort requirements.

Effect of Condition

By not properly tracking, documenting and reporting that level of effort requirements are being met, the Department was not in compliance with this requirement for the National Bioterrorism Hospital Preparedness Program.

Recommendation

The Department should create and enact policies, procedures and other internal controls sufficient to ensure the tracking, documenting and reporting of all state preparedness dollars is performed accurately and completely. The Department should also actively monitor state-funded preparedness spending to ensure it spends at least the minimum required amount each year for both grants.

Department's Response

The Department concurs with the finding. We consulted with our federal partners in May 2013 and received guidance which helped to define internal controls necessary to establish and monitor maintenance of effort. The Department has established maintenance of effort levels for the current grant period and is developing policy and procedures to ensure that we are in compliance with the federal requirements on maintenance of effort tracking and reporting.

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 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.

FY12 Cooperative Agreement TP 12-1201 HPP and PHEP Cooperative Agreements

Section IV – TP Special Terms and Conditions 1U90TP000559-01

Note 10: Maintenance of Funding (Maintain State Funding): Public Law 109-417 requires that the awardee maintain expenditures at a level that is not less than the average level of the preceding two years.

Awardees must be able to account for Maintenance of Funding (MOF) 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. MOF may not include any subawardee matching funds. MOF does not apply to future contingent emergency response awards that may be authorized

under 317(a) and 317(d) of the Public Health Service Act unless such a requirement were imposed by statute or administrative process at the time.

2013-013 The Department of Health does not have sufficient internal controls over, and did not comply with, the Federal Funding Accountability and Transparency Act 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:	1U90TP000559; 2U90TP017010-10; 6U3REP090228
Applicable Compliance Component:	Reporting
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 public health emergencies.

The Department distributes money to hospitals, outpatient facilities, tribes, health centers, poison control centers, emergency management services and others. These entities oversee training, meetings, purchasing of supplies and equipment, and generate reports on the program. The Department spent approximately $12.3 million in Public Health Emergency Preparedness funds and $6.4 million in Hospital Preparedness Program funds in fiscal year 2013.

Under the Federal Funding Accountability and Transparency Act, the Department is required to collect and report information on each sub-award or amendment of $25,000 or more in federal funds in the Federal Funding Accountability and Transparency Sub-award Reporting System. The reporting must be done by the end of the month following the month in which the sub-award was made. The intent of the Accountability Act is to empower citizens with the ability to hold the government accountable for spending decisions and, as a result, reduce wasteful spending in the government.

In order for the Department to file an Accountability Act report, the federal grantor agency must first enter their award into the reporting system. The screen where the Department enters the award number to report includes a message that says if you are unable to find or report on an award that should be present in the system you are to contact your grant making official for help.

Description of Condition

During our review, we found the Department did not have sufficient internal controls in place to ensure the fiscal year 2013 Accountability Act reports were filed correctly. We attempted to test the reports but the supervisor responsible for submitting them said no reports were filed for either program during fiscal year 2013. He said the federal awards were not available in the system but he did not contact the grantor for help. The Department's procedure for this type of situation was to wait until the next report was due and see if the federal grantor had entered it since the last attempt to file.

We determined the Department awarded 28 subawards or amendments totaling $6,299,806 during fiscal year 2013 that should have been reported for the Public Health Emergency Preparedness Program. There were 24 subawards or amendments totaling $4,957,022 that should have been reported for the Hospital Preparedness Program.

Cause of Condition

The Department did not have sufficient policies and procedures to ensure it was compliant with the Accountability Act reporting requirements. The Department's procedures did not include a course of action to ensure compliance when a report could not be found in the Accountability Act reporting system.

Effect of Condition

By not correctly submitting the required Accountability Act reports, the federal government's ability to ensure transparency and accountability of federal spending is diminished. Grant conditions allow the grantor to penalize the Department for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

We recommend the Department establish policies and procedures to ensure all Accountability Act reports are submitted as required.

Department's Response

The Department collected the Accountability Act information and attempted to report this information, however the grant award was not added to the FFATA Subaward Reporting System (FSRS) by the grantor. The Department is not allowed to add missing awards.

Per SAO recommendations, we will revise our procedures and email the federal grantor when awards reportable under the Federal Funding Accountability and Transparency Act (FFATA) are not available to report on in the FSRS. We anticipate this change to be effective January 1, 2014.

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 2, Code of Federal Regulations, APPENDIX A TO PART 170—AWARD TERM, states, in part:

> I. Reporting Subawards and Executive Compensation.
>
> a. Reporting of first-tier subawards.
>
> 1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subaward to an entity (see definitions in paragraph e. of this award term).
>
> 2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to http://www.fsrs.gov.
ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

2013-014 The University of Washington does not have monitoring controls to ensure subrecipients expending $500,000 or more in total federal dollars obtain an audit.

Federal Awarding Agencies:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.266	Health Systems Strengthening and HIV/AIDS Prevention, Care and Treatment under the President's Emergency Plan for AIDS Relief
	93.145	AIDS Education and Training Centers
	93.600	HeadStart
Federal Award Number:	U91HA06801	
	90HC0002	
Applicable Compliance Component:	Subrecipient Monitoring	
Questioned Cost Amount:	None	

Background

Federal regulations require the University of Washington to monitor the grant-funded activities of domestic and foreign subrecipients. This includes ensuring organizations that spend $500,000 or more in total from all sources of federal grant money during a fiscal year receive an audit of expenditures and internal controls over that money, in accordance with the federal Office of Management and Budget Circular A-133 for domestic subrecipients, as required. If the subrecipient is a foreign organization that is funded by the Department of Health and Human Services (DHHS), the DHHS requires the University of Washington to monitor the grant-funded activities of its foreign subrecipients. This includes ensuring the foreign organizations obtain a financial related audit or an audit that meets the requirements of OMB Circular A-133, in accordance with the DHHS Grant Policy Statement and the Code of Federal Regulations.

These requirements are designed to ensure grant money is used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements. Domestic grant recipients must submit the results of these audits to the federal clearinghouse within nine months of their fiscal year end and foreign recipients must submit the results to the University.

We reported a finding in our last fiscal year audit that noted the University did not have monitoring controls to ensure subrecipients receiving less than $500,000 from the University obtain audits when required. As a result of that finding, the University started a process at the end of the current audit period to monitor this requirement for domestic subrecipients, but no actual monitoring was performed until after the end of the current fiscal year.

Description of Condition

We reviewed the University's process to ensure audit reports are obtained from subrecipients. We found the University is not ensuring that subrecipients who receive less than $500,000 from the University, but whose total expenditures of federal awards exceed $500,000 annually, obtain a required audit. We also found the University does not have monitoring controls to ensure domestic and foreign subrecipients receiving less than $500,000 from the University obtain audits when required. We found the University does ensure subrecipients awarded more than $500,000 from the University receive an audit each year.

Further, the University does not include the requirement to obtain an audit in the subcontract language with foreign subrecipients. The University does not have an alternative way of notifying foreign subrecipients of the requirement other than verbal correspondence, of which, we cannot verify. The University of Washington does not have monitoring controls to ensure foreign subrecipients that didn't obtain an audit were exempt from audit requirements.

During our discussion with the University, we were told that subcontract language was added in March, 2013 to inform foreign subrecipients of audit requirements. This will be reviewed during the fiscal year 2014 audit.

Cause of Condition

The University does not monitor subrecipient's compliance with federal audit requirements when the subrecipient's total award from the University is less than $500,000.

For domestic subrecipients, it relies on the subrecipient to adhere to the subcontract language, which requires the subrecipient to submit an A-133 report when their total spend exceeds $500,000.

Additionally, for foreign subrecipients the University has not included language related to A-133 audit requirements. A-133 is not applicable to foreign entities, however, the University has maintained a practice of obtaining other audit documentation from the foreign entities with subcontracts award exceeding $500,000. The University does not verify and document any subrecipients who do not receive more than $500,000 in total federal funds.

Effect of Condition

The University is not certain whether all of its subrecipients complied with federal grant requirements. We reviewed a total of 26 subrecipient files, thirteen from Health Systems HIV/AIDS-AIDS Education programs and thirteen from the Head Start program. Our testing results show the following:

Health Systems HIV/AIDS and AIDS Education programs

- Thirteen of the subrecipient files did not include language related to the audit requirement and we were unable to determine if they were notified of the audit requirement.
- Eight subrecipients did not submit audit reports. The University did not verify or document that they had received less than $500,000 in total federal dollars, which would have exempted the subrecipient from audit requirements.

HeadStart

- The university received copies of A-133 audit reports for all eleven subrecipients we tested. Due to lack of documentation, we were unable to determine whether or not the audits were reviewed within the federally required timelines.

Based on our testing, we are unable to determine if subrecipients are in compliance with grant requirements, which ultimately puts federal dollars at risk.

Recommendation

We recommend the University improve monitoring controls to track the federal audit status of all subrecipients regardless of the amount the University awards.

University's Response

During FY13 the University has taken steps to enhance, as well as perform, monitoring controls with respect to subrecipients under our prime federal awards. In addition to the existing monitoring controls that were already in place, the University:

- *Updated the audit notification language in our subcontracts regarding subrecipient audit requirements, including foreign entities and regardless of the amount of total federal USD that the entity expends;*
- *Conducted a review of all FY13 active and current subcontracts to ensure we had obtained and reviewed subrecipient audits, as required; and*
- *Enhanced our tracking and process documentation related to subrecipient monitoring including documentation of dates audit reports were received or obtained and reviewed.*
- *Implemented a Subrecipient Financial Questionnaire used at initiation of each subcontract to assist in determining the audit status of each entity as well as to operate as a risk assessment tool; and*

- *Developed a master listing of all subrecipients and related audit information; and developed a Subrecipient Entity Review Form to document information related to the subrecipient's audit report and review.*

Starting in FY14, we developed a Subrecipient Annual Certification Form to be sent to and certified by each subrecipient entity annually to update the audit status of the entity;

Auditor's Concluding Remarks

We thank the University for their diligence in addressing the internal control issues discussed. These actions will enhance the University's process for monitoring subrecipients and increase accountability for subrecipients to use grant funds according to the purpose intended."

We further 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*, 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.

(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-133, *Compliance Supplement 2012*, Part 3 – Compliance Requirements states in part:

Section M. Subrecipient Monitoring:

Compliance Requirements

A pass-through entity is responsible for: …

- 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.

U.S. Department of Health and Human Services (HHS) Grants Policy Directives Part 4: After-the-Grant states in part:

Section B. General Policy Requirements

Part 3:

- Commercial organizations and foreign entities are not directly subject to the requirements of OMB Circular A-133 and have the option of conducting an A-133 or a grant-specific audit as provided in 45 CFR 74.26.

45 CFR Section 74.26 Non-Federal Audits, states in part:

(d) (1) Recipients and subrecipients that are commercial organizations (including for-profit hospitals) have two options regarding audits:

(i) A financial related audit (as defined in the Government Auditing Standards, GPO Stock #020-000-00-265-4) of a particular award in accordance with Government Auditing Standards, in those cases where the recipient receives awards under only one HHS program; or, if awards are received under multiple HHS programs, a financial related audit of all HHS awards in accordance with Government Auditing standards; or

(ii) An audit that meets the requirements contained in OMB Circular A-133.

2013-015 The Department of Early Learning does not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Child Care Development Fund program are filed.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.575 Child Care and Development Block Grant
	93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Federal Award Number:	G1301WACCDF
Applicable Compliance Component:	Reporting
Questioned Cost Amount:	None

Background

The Washington State Department of Early Learning administers the Child Care Development grant. This federal grant gives the state funding to develop child care programs and provide financial assistance to low-income families. It also assists the state in establishing health, safety, licensing and registration standards for child care required by state law.

The Department spent $196 million in Child Care Development funds in fiscal year 2013, of which approximately $6 million was distributed to subrecipients.

Under the Federal Funding Accountability and Transparency Act, the Department is required to collect and report information on each sub-award of $25,000 or more in federal funds in the Federal Funding Accountability and Transparency Sub-award Reporting System. The reporting must be done by the end of the month following the month in which the sub-award was made. The intent of the Accountability Act is to empower citizens with the ability to hold the government accountable for spending decisions and, as a result, reduce wasteful spending in the government.

Description of Condition

During our review, we found the Department did not have internal controls in place to ensure the fiscal year 2013 Accountability Act reports were filed correctly.

The employee responsible for Accountability Act reporting was not aware that all subrecipients paid over $25,000 need to be reported through the Federal Funding Accountability and Transparency Sub-award Reporting System. The employee had an understanding that subrecipients paid with discretionary funds did not need to be reported. However, federal guidance clearly states that the reporting requirements apply to both mandatory and discretionary funds.

The Department made five discretionary sub-awards for the program totaling $12,357,555. We determined that all five sub-awards were not filed.

Cause of Condition

The Department did not have policies and procedures to ensure it was compliant with the Accountability Act reporting requirements.

The Department had one employee assigned to file the required reports. This employee was not aware of proper Accountability Act reporting requirements. There was no independent review of the employee's work to verify Accountability Act reports were being filed as required.

Effect of Condition

By not correctly submitting the required Accountability Act reports, the federal government's ability to ensure transparency and accountability of federal spending is diminished. Grant conditions allow the grantor to penalize the Department for noncompliance, suspending or terminating the award, and withholding future awards.

Recommendation

We recommend the Department establish policies and procedures to ensure all Accountability Act reports are submitted accurately and timely. We further recommend that a secondary review is conducted prior to reports being submitted.

Department's Response

The department is well aware of the requirement to report subrecipient contracts within the FFATA Reporting System (FSRS), and in fact did report over $33M in subrecipient awards under 93.596 Child Care Development Fund (CCDF) Mandatory and Matching funds, as well as $9.6M under 93.505 Maternal, Infant, Early Childhood Home Visiting (MIECHV), $30.8M under 84.412 Race to the Top-Early Learning Challenge (RTT-ELC), and $7.4M under 84.181 Individuals with Disabilities Education Act (IDEA). Subrecipient awards under 93.575 CCDF Discretionary Funds were not reported because information given to the department from the FSRS help desk in early SFY13, as well as the lack of the option to report CFDA 93.575 awards in FSRS, led the department to believe this was not a requirement. The department has made several attempts to get the CFDA coding added to FSRS and get further clarification on reporting requirements by contacting three different support desk personnel, our CCDF federal liaison, and the Office of Management and Budget (OMB). At this time we are still unable to report subrecipient information in FSRS under CFDA 93.575, but as soon as the condition is rectified, the department will report as required.

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:
>
> (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, APPENDIX A TO PART 170—AWARD TERM, states, in part:

> I. Reporting Subawards and Executive Compensation.
>
> a. Reporting of first-tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111–5) for a subaward to an entity (see definitions in paragraph e. of this award term).
2. Where and when to report.
   i. You must report each obligating action described in paragraph a.1. of this award term to http://www.fsrs.gov.
   ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS)

https://www.fss.gov/#a-faqs:

GRANTS

In accordance with 2 CFR Chapter 1, Part 170 REPORTING SUB-AWARD AND EXECUTIVE COMPENSATION INFORMATION, Prime Awardees awarded a federal grant are required to file a FFATA Sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than $25,000. The reporting requirements are as follows:

- This requirement is for both mandatory and discretionary grants awarded on or after October 1, 2010.

2013-016 The Department of Early Learning does 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 and Development Block Grant
	93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Federal Award Number:	G1301WACCDF	
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 2013, DEL paid approximately $200 million to child care centers and providers.

The Department of Social and Health Services (DSHS) determines client eligibility and pays child care providers under an agreement with DEL. In previous years, DSHS was responsible for reconciling child care payments to providers with attendance records.

In January 2012, DEL and DSHS began taking steps to improve controls over child care payments, and DEL took over the reconciliation process. DEL also hired staff to perform monthly reconciliations of attendance records and child care payments for fiscal year 2012.

In October 2012, our office issued a report, "Audit of State Payments to Child Care Providers," report number 1008493, covering the period from July 1, 2010 to June 30, 2011. Using a statistical sample of 153 providers, the audit identified actual overpayments of $1.6 million and total estimated overpayments of $73.9 million. The audit also identified payments of $2.9 million as having questionable documentation, with total estimated payments with this same issue of $34.9 million. The payments involved in the audit included a mix of federal and state funding.

The Departments are aware providers have claimed more than authorized and that overpayments have been made.

Description of Condition

Since fiscal year 2005, our audits have reported the Departments did not adequately monitor payments to child care providers. During fiscal years 2010 and 2011 we found DSHS did not perform reconciliations between attendance records and child care payments. In fiscal year 2012, DEL only reconciled one month of child care payments to attendance records.

We requested and reviewed tracking sheets for reconciliations performed during state fiscal year 2013. We found no reconciliations were performed for months within state fiscal year 2013; all reconciliations performed were for attendance records from 2011 and 2012. The last reconciliation performed during state fiscal year 2013 was for March 2012 attendance records and was performed on May 13, 2013.

Cause of Condition

As of January 2014, the Department has only reconciled attendance records through June 2012. In an effort to get caught up, DEL began auditing retroactively starting with July 2011 and working forward.

Effect of Condition

Because DEL has not fully reconciled payments to source documentation it remains at risk for not identifying or recovering overpayments to providers in a timely manner.

Our current audit was for the purpose of determining compliance with federal laws and grants requirements, and we did not perform tests to quantify provider overpayments as was performed in our "Audit of State Payments to Child Care Providers". Therefore, we are not questioning costs in this finding.

Recommendation

We recommend the Department follow detailed monitoring procedures for provider payments that include reconciliations of provider attendance records to payments. We further recommend that DEL perform a more timely review of attendance records to increase the likelihood that any overpayments identified can be collected.

The Department should also implement the recommendations provided by our office in the "Audit of State Payments to Child Care Providers" report.

Departments' Response

The Department of Early Learning partially concurs with this finding.

The Department of Early Learning and Department of Social and Health Services continue to make consistent progress in actively auditing and recovering overpayments.

The State of Washington is potentially at risk of not collecting overpayments due to the passage of time on older records, therefore the Department of Early Learning (DEL) prioritized auditing those records that proceeded from the last date audited by the State Auditor's Office (SAO).

The Department stands by its response to the October 2012 audit referenced in the background section of this finding. In reviewing and establishing the overpayments found during this audit, DEL and DSHS discovered errors in the overpayment calculations, which have necessitated additional review time and adjustments to the overall overpayment totals. Any knowledge of providers who have claimed more than authorized and/or have been overpaid are being pursued or have been pursued through the overpayment processes.

The overpayment process can vary in length - once DSHS' Office of Financial Recovery (OFR) receives notice of an overpayment, they notify the provider of the overpayment details, their due process (hearing) rights, the associated time frames and contact information. Providers have 28 days from the date of service to request a hearing. During that time period, the provider may contact OFR to make a payment, they may request a hearing, or the provider may not respond at all. If the provider contacts OFR immediately, a reasonable monthly payment is negotiated and OFR begins collecting that payment. Providers have the right to appeal an overpayment and to request a hearing before an administrative law judge. If the provider requests a hearing, collection is delayed until the matter is settled in the hearings process. If the provider does not respond in the allotted time period of approximately 30 days, OFR begins enforcement.

OFR is working to streamline the overpayment process. OFR and the DSHS Information Systems Services Division (ISSD) are working together to automate the paper overpayment referral process. DSHS expects this electronic process will increase the speed at which overpayments are established as well as decrease the potential for errors.

The DSHS Provider Team reviews all potential provider overpayments. During SFY13, the Provider Team requested and reviewed over 5,900 provider attendance records. Attendance records are requested by the Provider

Team, and the Provider Team reviews these attendance records against the provider billing. In appropriate cases, the Provider Team establishes an overpayment and OFR initiates collection action.

As of February 2014, DEL has initiated work on state fiscal year 2013 (July 2012). DEL anticipates that the audit team will be able to adequately sample and audit SFY 2013 & SFY 2014, consistent with the recommendation. Part of the audit team will work on SFY 2013, and the remaining team will work on SFY 2014, along with the federal Improper Payment Audit so that both years are audited.

The Departments will continue to actively audit for potential overpayments and seek timely reimbursement for overpayments.

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) Paper and electronic attendance records and invoices for state subsidized children must be kept on the premises for at least five years after the child leaves the licensee's care as provided in WAC 170-295-7031.

Washington Administrative Code 170-296A-2125, states in part:

The licensee must also keep records of:

1. Daily attendance for each child counted in capacity that includes the:
   (a) Child's dates of attendance;

Washington Administrative Code 170-296A-2000, states in part:

The licensee must keep all records required in this chapter for a minimum of five years:

(1) Current records, including records from the previous twelve months, must be kept in the licensed space as defined in WAC 170-296A-0010 and be available for the department's review.

Washington Administrative Code 170-290-0034, states in part:

Child care providers who accept child care subsidies must do the following:

(3) Keep complete and accurate daily attendance records for children in their care, and allow access to DEL to inspect attendance records during all hours in which authorized child care is provided as follows:
   (a) Current attendance records (including records from the previous twelve months) must be available immediately for review upon request by DEL.
   (b) Attendance records older than twelve months to five years old must be provided to DSHS or DEL within two weeks of the date of a written request from either department.
   (c) Failure to make available attendance records as provided in this subsection may:
      (i) Result in the immediate suspension of the provider's subsidy payments; and
      (ii) Establish a provider overpayment as provided in WAC 170-290-0268;

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."

2013-017 The Department of Social and Health Services does not have adequate internal controls over client eligibility for the Child Care Development Fund.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.575	Child Care and Development Block Grant
	93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Federal Award Number:	G1301WACCDF	
Applicable Compliance Component:	Cost Principles/Eligibility	
Questioned Cost Amount:	None	

Background

The state Department of Early Learning (DEL) administers the federal Child Care and Development grant, which is meant to assist eligible working families in paying for child care and also to support efforts to offer high-quality early learning opportunities. In fiscal year 2013, DEL paid approximately $200 million to child care centers and providers in Working Connections Child Care subsidies.

The Department of Social and Health Services (DSHS) determines client eligibility and pays child care providers under an agreement with DEL. DEL then reimburses DSHS with federal grant funds.

In order for a family to be eligible for child care assistance, children receiving care must be under age 13 (or up to age 19 if incapable of self care or under court supervision); must reside with parents who are working or attending job-training or education programs; or need to receive protective services and reside with a parent or parents and have a family income not exceeding 85 percent of the state's median income for a family of the same size.

Client eligibility serves as the basis for determining whether a payment is allowable; if an ineligible client receives assistance, the payment made to the child care provider cannot be considered allowable under the program.

Description of Condition

The Department has not established internal controls designed to ensure it correctly determines and documents eligibility prior to services being provided and payment being issued. We found the following weaknesses:

- In most cases, a DSHS caseworker processes client eligibility information and authorizes services without any secondary review or approval.
- Caseworkers can authorize services in the eligibility system without verifying client household income or employment activity.
- Caseworkers have the system access that is needed to directly alter payment information in the payment system.
- DSHS audits child care payments monthly, but reviews only 1.6 percent of open authorizations after payment has already been made. This does not provide assurance that payments are not made to ineligible clients.

Cause of Condition

DSHS is aware of weaknesses in preventative controls over eligibility determination, but has not taken action to address them.

Effect of Condition

These conditions increase the risk that DEL might be paying for child care services for ineligible clients.

Since DSHS does not conduct regular reviews prior to payment, it puts the program at risk of improperly paying out Child Care Development Fund dollars. In addition, if ineligible payments are identified, the overpayment would need to be recovered.

Recommendations

We recommend the DSHS and DEL work together to develop internal controls that will ensure eligibility is established and supported prior to authorizing child care services to clients. We recommend this includes a segregation of duties between staff who determine eligibility and staff who authorize payments. We further recommend that DSHS and DEL improve the current review process to cover a larger population of authorized payments and ensure eligibility is determined prior to payments being made.

Departments' Response

SAO finding *- In most cases, a DSHS caseworker processes client eligibility information and authorizes services without any secondary review or approval.*

The Department of Social and Health Services partially concurs with the finding. Current childcare program policy, as established and maintained by the Department of Early Learning, supports approval for benefits and authorization for payment by the same worker. However, DSHS employs the following controls to ensure workers are not misusing their authority:

- *A supervisory review is required for payment requests that exceed certain parameters. The supervisor reviews the need for the additional payment and either approves the payment by submitting the authorization to SSPS or denies the payment if the consumer is not eligible. All special authorizations require supervisor review for approval.*
- *New workers have 100% of their work audited by Leadworkers, these audits may be conducted either pre or post-authorization.*
- *The Department has instituted a separation of duties protocol that does not allow a staff member who activates a license-exempt provider to make any authorizations for that provider.*

SAO finding *- Caseworkers can authorize services in the eligibility system without verifying client household income or employment activity.*

The Department of Social and Health Services partially concurs with this finding. Washington Administrative Code, established and maintained by the Department of Early Learning, requires workers to request verification if not provided by the consumer. Childcare program training supports and reinforces these requirements. DEL WAC 170-290-0012 requires a consumer to provide verification of employment or employment activity including income, hours of work and work schedule to receive childcare subsidy payments, however, if a consumer does not provide all of the verification requested, DEL WAC requires DSHS to determine eligibility based on the information provided to DSHS.

SAO finding *- Caseworkers have the system access that is needed to directly alter payment information in the payment system.*

The Department of Social and Health Services partially concurs with this finding. While it is true that caseworkers have access to alter payment information, it is important to note the Department has implemented consistent monitoring protocols to maintain payment integrity including:

- *An Integrity Report (identifying cases that where the same staff member has authorized four or more payments in a 15 month period without authorization activity from other staff members) is reviewed by*

regional staff periodically. To date, the report has not identified any cases resulting in a finding of improper authorization activities.

- *The Department has instituted a separation of duties protocol that does not allow a staff member who activates a license-exempt provider to make any authorizations for that provider.*
- *Staff activating or reactivating a provider's SSPS number are electronically linked to that provider number, and are not able to create or alter authorizations on behalf of that provider number. The activation of a license-exempt provider's file occurs when the provider's SSPS number is created, and reactivation occurs when the provider has had no payment authorizations for the previous 90 days. Staff must manually activate, or reactivate, a license-exempt provider's SSPS number prior to authorizations/payments being submitted through SSPS.*

SAO finding *- DSHS audits child care payments monthly, but reviews only 1.6 percent of open authorizations. This does not provide enough coverage to address the internal control weaknesses to ensure payments are not made to ineligible clients.*

The Department of Social and Health Services partially concurs with this finding. In addition to auditing 1.6% of open authorizations, DSHS takes the following steps to ensure program integrity:

- *Requires exceptional payment authorizations to be reviewed and approved by a supervisor before payment can be made. An example of an exceptional payment would be when a child requires (and is authorized for) more than 230 hours of care per month due extenuating circumstances such as a parent with multiple approved activities (school and work, etc.).*
- *Works with data provided monthly by the Health Care Authority to audit additional childcare eligibility activity to identify error prone cases and areas where policy clarification, training or systems support can increase accuracy.*
- *Performs 100% pre/post authorization audits for all new childcare workers.*

The DSHS "Provider Team" is a specialized unit that reviews all potential consumer and provider overpayments as identified by staff and the general public. The Provider Team requests and reviews attendance records and reconciles these with corresponding payments to determine provider billing accuracy. In appropriate cases, the Provider Team establishes an overpayment and the DSHS Office of Financial Recovery (OFR) initiates collection action. During SFY13, the Provider Team received over 5,900 provider attendance records and wrote over 7,600 overpayments.

In addition to DSHS audits, DEL performs audits focusing on provider billing. DEL anticipates that the DEL audit team will be able to adequately sample and audit SFY 2013 & SFY 2014.

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.

45 CFR 98.20 A child's eligibility for child care services, states:

(a) In order to be eligible for services under § 98.50, a child shall:
  (1) (i) Be under 13 years of age; or,
    (ii) At the option of the Lead Agency, be under age 19 and physically or mentally incapable of caring for himself or herself, or under court supervision;
  (2) Reside with a family whose income does not exceed 85 percent of the State's median income for a family of the same size; and
  (3) (i) Reside with a parent or parents (as defined in § 98.2) who are working or attending a job training or educational program; or
    (ii) Receive, or need to receive, protective services and reside with a parent or parents (as defined in § 98.2) other than the parent(s) described in paragraph (a)(3)(i) of this section.
      (A) At grantee option, the requirements in paragraph (a)(2) of this section and in § 98.42 may be waived for families eligible for child care pursuant to this paragraph, if determined to be necessary on a case-by-case basis by, or in consultation with, an appropriate protective services worker.
      (B) At grantee option, the provisions in (A) apply to children in foster care when defined in the Plan, pursuant to § 98.16(f)(7).

(b) Pursuant to § 98.16(g)(5), a grantee or other administering agency may establish eligibility conditions or priority rules in addition to those specified in this section and § 98.44 so long as they do not:
  (1) Discriminate against children on the basis of race, national origin, ethnic background, sex, religious affiliation, or disability;
  (2) Limit parental rights provided under Subpart D; or
  (3) Violate the provisions of this section, § 98.44, or the Plan. In particular, such conditions or priority rules may not be based on a parent's preference for a category of care or type of provider. In addition, such additional conditions or rules may not be based on a parent's choice of a child care certificate.

OMB Circular A-133 Compliance Supplement, part 4 information for the Child Care and Development Fund (CCDF) Cluster, states in part:

E. Eligibility
  1. Eligibility for Individuals
     Lead Agencies must have in place procedures for documenting and verifying eligibility in accordance with the following Federal requirements, as well as the specific eligibility requirements selected by each State/Territory/Tribe in its approved Plan.
     a. Children must be under age 13 (or up to age 19, if incapable of self care or under court supervision), who reside with a family whose income does not exceed 85 percent of State/territorial/tribal median income for a family of the same size, and reside with a parent (or parents) who is working or attending a job-training or education program; or are in need of, or are receiving, protective services. Tribes may elect to use State or tribal median income (42 USC 9858n(4); 45 CFR sections 98.20(a) and 98.80(f)).

U.S. Office of Management and Budget Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments (2 CFR 225)

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.

2013-018 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
Federal Award Number:	G1201WA1407
Applicable Compliance Component:	Eligibility
Questioned Cost Amount:	$ 6,044
Likely Questioned Cost:	$133,042

Background

The Children's Administration of the Department of Social and Health Services administers the Adoption Assistance Program. The Department paid approximately $46 million in federal dollars for adoption assistance in fiscal year 2013, for support of almost 12,000 children.

The federal Adoption Assistance program provides money to states for parents who adopt children with special needs by providing ongoing financial and medical benefits to qualified children. To qualify for federal funding in this program, a child must be determined eligible. Once a child is determined to be eligible to receive adoption assistance, he or she remains eligible until: 1) the age of 18 and the parents are no longer responsible for the support of the child; 2) death of the child's adoptive parents; or 3) death of the child.

State law allows the parent of a child who is a least 18, but less than 21 years old, to continue receiving adoption assistance benefits if it is confirmed the child 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). Under no circumstances may benefits extend beyond the adoptive child's 21st birthday.

During the last four audits (fiscal years 2009, 2010, 2011 and 2012) 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, and conduct quarterly spot checks of payments. In February 2013, the Department added automated controls to their case management system to suspend benefit payments of children who turn 18, only allowing payments to resume after staff confirmed the child warrants continuation of benefits.

Description of Condition

We reviewed the Department's process to ensure the eligibility of clients receiving Adoption Assistance payments.

Children Age 18

For the first seven months of the fiscal year, the Department lacked the necessary internal controls to ensure recipients with children who reach the age of 18 are still eligible to receive monthly benefit payments. During this review we found the Department did not have system or manual controls to identify children turning age 18 in order to establish continued eligibility or cancel benefits, for payments made in the first seven months of the fiscal year.

Children Age 21

For the first seven months of the fiscal year, the Department did not have a system or manual controls in place to effectively end benefits of children turning age 21.

Cause of Condition

Children Age 18

The Department recognized it lacked an automated process or standard manual practice to identify children reaching the age of 18; every region maintains and monitors case files differently. Although the Department instituted quarterly spot checks of adoption payments by regional managers, the frequency of monitoring payments and updating case files did not improve for the first seven months of the year.

Children Age 21

The Department did not have an automated process to ensure payments were halted for recipients over the age of 21. It relied on manual identification of adoptees aging out of the program and had no division wide policies or procedures to guide this process.

In February 2013, the Department established automated controls to identify, flag and suspend payments to adoptive parents of children age 18 and to stop payments for children age 21. We reviewed the changes to the system during our audit and found them to be working as intended.

Effect of Condition and Questioned Costs

We found the Department paid benefits for children who were not eligible.

Children Age 18

To follow up on the concerns noted in prior audits, we performed testing of randomly selected recipient benefit payments issued in fiscal year 2013 to determine if the Department collected appropriate supporting documentation for children over 18 years of age. To be eligible to continue receiving program benefits, the adopted child (over 18) must be enrolled in school. Our sample test of payments to adoptive parents of children over the age of 18 in region 6 found that 17% did not have current documentation on file proving continued eligibility for adoption assistance benefits. Based on our sample, we are questioning costs of $3,913 and project an estimated $133,042 in additional questioned costs in the region. No issues were noted in regions 1 through 5

Children Age 21

State law prohibits support payments to recipients for any adoptee once they reach age 21. We reviewed all adoption payments for fiscal year 2013 and found three recipients with adoptees over 21 who received payments totaling $2,131 during the year. A recipient with a child over 21 is not eligible to receive federal funds; therefore we are questioning this entire amount.

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 newly established internal controls for monitoring case files to ensure eligibility is met and payments are fully supported for recipients with children between the ages of 18 and 21.
- Perform a secondary review confirming documentation supporting eligibility is completed and on file, and data entries are accurate for Adoption Assistance payments.
- Communicate with the federal grantor to determine whether questioned costs need to be repaid.

Department's Response

The Department concurs with this finding.

The implementation of the automated process to ensure payments are suspended for children at age 18, until verification of eligibility is provided which would allow continued payments, and to stop payments for children at the age of 21 has effectively stopped overpayments caused by the manual process previously used by the Administration. We will monitor this functionality's effectiveness periodically through independent algorithms run on payment data.

For all amounts identified as questioned costs, the Children's Administration will review each payment and return any federal share associated with inappropriate payments. These amounts will be sent for collections and communicated to our federal partners at the time they are returned.

Auditor's Concluding Remarks

The Department concurs with this finding.

The implementation of the automated process to ensure payments are suspended for children at age 18, until verification of eligibility is provided which would allow continued payments, and to stop payments for children at the age of 21 has effectively stopped overpayments caused by the manual process previously used by the Administration. We will monitor this functionality's effectiveness periodically through independent algorithms run on payment data.

For all amounts identified as questioned costs, the Children's Administration will review each payment and return any federal share associated with inappropriate payments. These amounts will be sent for collections and communicated to our federal partners at the time they are returned.

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.

Revised Code of Washington (RCW) 74.13.031
Duties of department — Child welfare services — Children's services advisory committee. (*Effective until December 1, 2013.*) states in part:

> (10) The department and supervising agencies shall have authority to provide continued extended foster care services to youth ages eighteen to twenty-one years to participate in or complete a secondary education program or a secondary education equivalency program, or a postsecondary academic or postsecondary vocational education program. The department shall develop and implement rules regarding youth eligibility requirements.
>
> (11) The department shall have authority to provide adoption support benefits, or relative guardianship subsidies on behalf of youth ages eighteen to twenty-one years who achieved permanency through adoption or a relative guardianship at age sixteen or older and who meet the criteria described in subsection (10) of this section.

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.

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.

2013-019 The Department of Health did not survey all hospitals and home health agencies in accordance with the frequency stipulated by state and federal laws, which could increase the risk of Medicaid clients receiving substandard care.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Provider Health and Safety Standards	
Questioned Cost Amount:	None	

Background

The state has 102 active hospitals in three categories: acute care/general hospitals, chemical dependency hospitals, and psychiatric hospitals. State regulations require the Department of Health or an accreditation agency such as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) to survey all hospitals on average at least every eighteen months, and psychiatric hospitals on 12 month intervals. 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 and quality care services.

The state has 61 Medicare certified home health agencies which provide necessary support services to allow clients to get the care they need in their own home setting. Services provided by home health agencies can range from companion care provided by trained providers to advanced skilled care provided by registered or licensed practical nurses (RN/LPN). State and federal regulations require the Department of Health or accreditation agencies such as the Community Health Accreditation Program (CHAP) or the Joint Commission to survey all Home Health Agencies at least every 36.9 months to maintain Medicare certification and accept Medicaid clients.

Federal regulations require states to ensure home health agencies and health-care facilities such as hospitals meet prescribed health and safety standards in order to be eligible for federal reimbursement.

Description of Condition

During fiscal year 2013, the Department of Health did not ensure hospital surveys were performed in accordance with the frequency stipulated by state and federal laws. Of the state's 102 current hospitals, 60 were evaluated by the Department. Of that group 31 (52 percent) active hospitals did not receive the required survey within the frequency stipulated by state and federal laws. The Department also did not ensure hospitals received the required survey within the frequency stipulated by state and federal laws when Accreditation agencies did not perform the survey as required. Nine out of 42 hospitals (21 percent) surveyed by Accreditation agencies did not receive surveys in a timely manner.

The table below summarizes the results of our testing for hospital survey.

Hospital Surveys More Than One Month Overdue			
Months	**Department of Health**	**Accreditation Agencies**	**Total**
One month	2	4	6
Two months	4	0	4
Three Months	3	1	4
Four months or more	22	4	26
Total	31	9	40

During fiscal year 2013, the Department of Health did not ensure surveys of home health agencies were performed as required by state and federal laws. Of the state's 61 Medicare certified home health agencies there were seven (11 percent) that did not receive the required survey within the 36.9 month interval.

The table below summarizes the results of our testing for home health agency survey.

Home Health Agency Surveys More than One Month Overdue	
Months	**Department of Health**
One month	4
Three Months or more	3
Total	7

Cause of Condition

The Department stated the increase in intervals between hospital surveys during fiscal year 2013 is attributed to retasking investigators to work on a re-design of the onsite survey worksheet tools and training rather than performing surveys. The Department also stated that it recognized a need for more surveyors but had been unable to hire sufficient staff due to a shortage of qualified candidates.

The Department stated the reason for the home health agency surveys not being completed in a timely manner is attributed to a vacancy and new hire during the first half of the audit period that left only two qualified staff to perform Centers for Medicare and Medicaid Services (CMS) surveys during that time.

Effect of Condition

When the Department does not survey hospitals and home health agencies as required, the state is paying these facilities for services to Medicaid clients without assurance they are providing services that meet state and federal health standards and regulations.

Recommendation

We recommend the Department conduct hospital and home health agency surveys in accordance with the frequency stipulated by state and federal laws.

Agency's Response

The Department concurs with the finding. We have completed staff training in the new hospital survey process and implemented this process for most state hospital surveys. This will help shorten the time needed to complete surveys

and reduce the number of staff needed to conduct a survey. The Department also now has fully trained staff to conduct Medicaid surveys.

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 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:

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.

42 U.S.C. § 1395bbb. Conditions of participation for home health agencies; home health quality, states in part:

(c) Surveys of home health agencies
(1) Any agreement entered into or renewed by the Secretary pursuant to section 1395aa of this title relating to home health agencies shall provide that the appropriate State or local agency shall conduct, without any prior notice, a standard survey of each home health agency. Any individual who notifies (or causes to be notified) a home health agency of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this paragraph in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a of this title. The Secretary shall review each State's or local agency's procedures for scheduling and conduct of standard surveys to assure that the State or agency has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.
(2) (A) Except as provided in subparagraph (B), each home health agency shall be subject to a standard survey not later than 36 months after the date of the previous standard survey conducted under this paragraph. The Secretary shall establish a frequency for surveys of home health agencies within this 36-month interval commensurate with the need to assure the delivery of quality home health services.
(B) If not otherwise conducted under subparagraph (A), a standard survey (or an abbreviated standard survey) of an agency—
(i) may be conducted within 2 months of any change of ownership, administration, or management of the agency to determine whether the change has resulted in any decline in the quality of care furnished by the agency, and
(ii) shall be conducted within 2 months of when a significant number of complaints have been reported with respect to the agency to the Secretary, the State, the entity responsible for the licensing of the agency, the State or local agency responsible for maintaining a toll-free hotline and investigative unit (under section 1395aa(a) of this title), or any other appropriate Federal, State, or local agency.
(C) A standard survey conducted under this paragraph with respect to a home health agency—
(i) shall include (to the extent practicable), for a case-mix stratified sample of individuals furnished items or services by the agency—
(I) visits to the homes of such individuals, but only with the consent of such individuals, for the purpose of evaluating (in accordance with a standardized reproducible assessment instrument (or instruments) approved by the Secretary under subsection (d) of this section) the extent to which the quality and scope of items and services furnished by the agency attained and maintained the highest practicable functional capacity of each such individual as reflected in such individual's written plan of care required under section 1395x(m) of this title and clinical records required under section 1395x(*o*)(3) of this title; and
(II) a survey of the quality of care and services furnished by the agency as measured by indicators of medical, nursing, and rehabilitative care;

(ii) shall be based upon a protocol that is developed, tested, and validated by the Secretary not later than January 1, 1989; and

(iii) shall be conducted by an individual—

(I) who meets minimum qualifications established by the Secretary not later than July 1, 1989,

(II) who is not serving (or has not served within the previous 2 years) as a member of the staff of, or as a consultant to, the home health agency surveyed respecting compliance with the conditions of participation specified in or pursuant to section 1395x(*o*) of this title or subsection (a) of this section, and

(III)who has no personal or familial financial interest in the home health agency surveyed.

(D) Each home health agency that is found, under a standard survey, to have provided substandard care shall be subject to an extended survey to review and identify the policies and procedures which produced such substandard care and to determine whether the agency has complied with the conditions of participation specified in or pursuant to section 1395x(*o*) of this title or subsection (a) of this section. Any other agency may, at the Secretary's or State's discretion, be subject to such an extended survey (or a partial extended survey). The extended survey shall be conducted immediately after the standard survey (or, if not practical, not later than 2 weeks after the date of completion of the standard survey).

(E) Nothing in this paragraph shall be construed as requiring an extended (or partial extended) survey as a prerequisite to imposing a sanction against an agency under subsection (e) of this section on the basis of the findings of a standard survey.

State Operations Manual: Chapter 2, Section 2195 - Guidelines for Determining Survey Frequency (Rev. 1, 05-21-04)

Section 1891(c)(2)(A) of the Act states that standard surveys will occur not later than 36 months after the previous standard survey, and that the Secretary shall establish a frequency for surveys within this 36-month interval commensurate with the need to assure the delivery of quality home health services.

WAC 246-335-045, states in part:

(2) The department may:

(a) Conduct surveys at any time and at least once during a licensure period to determine compliance with chapter 70.127 RCW and this chapter, except for agencies with deemed status under WAC 246-335-050 (2) and (3);

(b) Conduct one licensing survey inclusive of all in-home services categories;

(c) Investigate any person suspected of:

(i) Advertising, operating, managing, conducting, opening or maintaining an in-home services agency or providing in-home services, including hospice care center services, without a license unless exempt from licensure under RCW 70.127.040 and 70.127.050; or

(ii) Survey a licensee at anytime if the department has reason to believe the licensee is providing unsafe, insufficient, inadequate or inappropriate care;

(d) Investigate allegations of noncompliance with RCW 43.43.830 through 43.43.845, when necessary, in consultation with law enforcement personnel;

(e) Require licensees to complete additional disclosure statements and background inquiries for an individual associated with the licensee or having direct contact with children under sixteen years of age, people with developmental disabilities, or vulnerable adults if the department has reason to

believe that offenses specified under RCW 43.43.830 have occurred since completion of the previous disclosure statement and criminal background inquiry;

(f) Approve, deny or revoke requests by home health, hospice or home care agencies for initial service area or service area expansion based on:

(i) The licensee's demonstrated ability or inability to comply with this chapter as illustrated by substantiated complaint history, survey outcomes or enforcement action; and

(ii) Evidence of the licensee's ability or inability to manage and supervise services throughout the approved service area under criteria listed in WAC 246-335-055 (1)(a)(vi);

(g) Approve, deny, restrict, condition, modify, suspend, or revoke a license under this chapter under RCW 70.127.170 and 70.127.180(3);

(h) Issue a statement of deficiencies following a survey which identifies noncompliance with chapter 70.127 RCW and this chapter; and

(i) Prepare and serve upon the licensee or applicant at the earliest practical time a statement of charges following a survey which identifies noncompliance with chapter 70.127 RCW and this chapter. The statement of charges shall be accompanied by a notice that the licensee or applicant may request a hearing to contest the charges.

2013-020 The Health Care Authority does not comply with the data-sharing requirements of 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.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

Medicaid is the "payer of last resort," meaning the Health Care Authority (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 Medicaid 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.

In 2007, the state Legislature amended chapter 74.09A RCW and these statutes require the Authority to provide Medicaid client eligibility and coverage information to insurers doing business in the state. The insurers, in turn, are required to use that information to identify Medicaid clients with third-party coverage, and 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 and save scarce public resources.

In our past five audits, 2008 through 2012, we reported findings regarding the Authority's noncompliance with the federal Deficit Reduction Act of 2005 and the state law.

The state had Medicaid expenditures of approximately $7.7 billion in fiscal year 2013.

Description of Condition

The Authority took steps to comply with the data-sharing requirements of State law and the federal Deficit Reduction Act of 2005 by implementing the Payer Initiated Eligibility/Benefit (PIE) transaction format into

ProviderOne, the State's Medicaid Management Information System. The Authority also sent letters to 10 health insurers notifying them that it is ready to begin data exchanges with them.

However, the exchange of data from health insurers to ProviderOne was not fully implemented during the audit period.

Cause of Condition

The exchange of data was not operationalized during the audit period as trading partner agreements between the Authority and health insurers were not signed and health insurers did not implement the new transaction format recently implemented in ProviderOne.

Effect of Condition

When Medicaid-eligible individuals with third-party liability coverage are not identified, the Authority is at risk of paying claims that should have been paid by liable third parties, placing millions of state and federal dollars at risk for being inappropriately paid.

Recommendation

We recommend the Authority 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.

Agency's Response

The Health Care Authority continues to disagree with this finding.

The agency is in compliance with the Deficit Reduction Act of 2005 and applicable state law, and has been since the federal act was passed into law in April 2007. The Health Care Authority meets this standard by making data available to all insurers to use for third-party liability reporting and by matching data directly with those insurers most likely to provide third-party coverage to Medicaid recipients.

Although the Health Care Authority maintains its compliance with the Deficit Reduction Act, it has also taken steps to enhance data sharing to assure that it continues to have a strong third-party liability program. Those steps include:

- *Implementation of the Payer-Initiated Eligibility/Benefit Transaction (PIE) in July 2013 and subsequent communication with major insurers in Washington requesting their participation in implementation of the PIE transaction and electronic sharing of TPL data. While other states have adopted other formats for data sharing, PIE is the actual manner and national standard format for data sharing. Although HCA has successfully implemented the PIE transaction and will continue to encourage carrier adoption, it is important to note that HCA has no authority to compel carriers to participate in use of the transaction for electronic data exchange. The Health Care Authority's successful implementation is viewed by the federal Centers for Medicare and Medicaid Services as a model implementation and best practice.*
- *In addition, the agency has had a contract with a vendor named Health Management Systems Inc. (HMS) since February 2011 to provide enhanced data matching and identification of a client's primary 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 Health Care Authority.*

Auditor's Concluding 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 reaffirm 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) indicates that a State plan for medical assistance must "provide":

(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 1167(1) of U.S.C. Title 29), 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 authority and accept the authority'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 health care authority and health insurers to ensure that medical insurance benefits are properly utilized, a transfer of information between the authority 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 authority 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 authority. The authority 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 authority. The authority 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 authority 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 authority programs.

(5) The frequency of updates will be mutually agreed to by each health insurer and the authority based on frequency of change and operational limitations. In no event shall the computerized data be provided less than semiannually.

(6) The health insurers and the authority 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 authority shall target implementation of this section to those health insurers with the highest probability of joint beneficiaries.

2013-021 The Health Care Authority did not have adequate controls in place to ensure all critical access hospitals were paid accurately.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

The Critical Access Hospital (CAH) Program was created by the 1997 federal Balanced Budget Act as a safety net device to ensure rural beneficiaries are able to access healthcare services. In the State of Washington, the certification of CAH is administered by the Department of Health. Currently, the state has 38 DOH Medicare-certified and Authority approved CAHs, which will receive cost-based reimbursement, instead of the rates set by prospective payment systems or fee schedules. The cost-based reimbursement method is designed to allow more flexible staffing options relative to community need, simplify billing methods and create incentives to develop local integrated health delivery systems, including acute, primary, emergency and long-term care.

Throughout the course of the year, the CAHs receive estimated payments that are calculated based on historical cost. The estimated payments are provisional in nature and subject to interim and final settlement after the end of hospital fiscal year.

All CAHs are required to submit cost reports to the Medicare fiscal intermediary within six months after the end of the cost reporting period or after the end of each fiscal year. CAHs are also required to submit a copy of the "as-filed" version of the Medicare cost report and its corresponding revenue codes to the Health Care Authority (HCA) for the cost settlement of its most recently completed hospital fiscal year. In addition, CAHs are required to submit the "final settled" Medicare cost report received from the Medicare fiscal intermediary to the Authority by the sixtieth day of the hospital's receipt of the approved Medicare cost report. Interim and final cost settlements are performed to reconcile claim payments to first the "as-filed" and then the "finalized" Medicare cost reports.

CAHs are paid current claims based on estimated cost-to-charge ratios derived from two year old cost report data. The interim and final settlements are intended to ensure CAHs are paid accurately.

In fiscal year 2013, the HCA paid more than $65 million to critical access hospitals.

Description of Condition

During our testing we noted the Authority performed all interim settlements when the "as-filed" version of the Medicare cost reports are available.

However, the Authority has not performed a significant number of final settlements even when Medicare approved cost reports are available. We accessed the Centers for Medicare & Medicaid Services (CMS) Healthcare Cost Report Information System **(**HCRIS) database and verified that there were a total of 149 Medicare approved CAH cost reports available from report years 2007- 2011. Since interim settlements are based on "as filed" cost reports, it is important to conduct final settlements to ensure interim payments are reconciled to the final approved costs to reflect the true costs of providing services to Medicaid patients.

The table below summarizes the results of our testing.

Status	Report Year					Total	
	2007	2008	2009	2010	2011	Number	Percent
Final CMS-approved reports available in HCRIS	39	38	36	30	6	**149**	**100%**
Final settlements performed by HCA (as of 10/2013)	34	25	20	0	0	**79**	**53%**
Approved cost reports (unsettled)	5	13	16	30	6	**70**	**47%**

During this 5-year period, the HCA did not perform final settlements on 47 percent of the total Medicare approved cost reports available.

Cause of Condition

The Authority solely relies on CAHs to submit their Medicare approved cost reports without verifying they have been submitted to the HCA within 60 days of receipt from the Medicare fiscal intermediary for final settlement.

Effect of Condition

If payments already made to CAHs are greater than total reimbursable costs, the lack of final settlements could tie up limited Medicaid resources that could be better used in other Medicaid services. Conversely, if payments already made to CAHs are less than total reimbursable costs, underpayments for a prolonged period could affect the quality of services CAHs provide to Medicaid clients.

Recommendation

We recommend the Authority:

- Implement adequate internal controls to monitor cost report submissions and the status of final Medicare approved cost reports.
- Perform final settlements on 70 Medicare approved cost reports.

Agency's Response

The Authority partially disagrees with this finding.

The Authority follows its current Washington Administrative Code (WAC) as it relates to the requirement for CAHs to submit their 'as filed' and 'final settled' versions of their medicare cost report to the department. See WAC 182-550-2598 (11) citation below:

> *11) "The department performs finalized cost settlements using the same methodology as outlined in subsection (10) of this section, except that the department uses the hospital's "final settled" medicare cost report instead of the initial "as filed" medicare cost report for the HFY being cost settled. The "final settled" medicare cost report received from the medicare fiscal intermediary must be submitted by the CAH to the department by the sixtieth day of the hospital's receipt of that medicare cost report."*

- *The Authority will ensure timely cost settlement for these hospitals.*

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.

WAC 182-550-2598, Critical access hospitals (CAHs), states:

> (1) The following definitions and abbreviations and those found in WAC 388-500-0005 and 388-550-1050 apply to this section:
>
> (a) "CAH," see "critical access hospital."
>
> (b) "Cost settlement" means a reconciliation of the fee-for-service interim CAH payments with a CAH's actual costs determined in conjunction with the use of the CAH's final settled medicare cost report (Form 2552-96) after the end of the CAH's HFY.
>
> (c) "Critical access hospital (CAH)" means a hospital that is approved by the department of health (DOH) for inclusion in DOH's critical access hospital program.
>
> (d) "Departmental weighted costs-to-charges (DWCC) rate" means a rate the department uses to determine a CAH payment. See subsection (5) of this section for how the department calculates a DWCC rate.
>
> (e) "DWCC rate" see "departmental weighted costs-to-charges (DWCC) rate."
>
> (f) "HFY" see "Hospital fiscal year."
>
> (g) "Hospital fiscal year" means each individual hospital's medicare cost report fiscal year.
>
> (h) "Interim CAH payment" means the actual payment the department makes for claims submitted by a CAH for service provided during its current HFY, using the appropriate DWCC rate, as determined by the department.

(i) "Revenue codes and procedure codes to cost centers crosswalk" means a document that indicates the revenue codes and procedure codes that are assigned by each hospital to a specific cost center in each hospital's medicare cost report.

(2) To be paid as a CAH by the department, a hospital must be approved by the department of health (DOH) for inclusion in DOH's critical access hospital program. The hospital must provide proof of CAH status to the department upon request. A CAH paid under the CAH program must meet the general applicable requirements in chapter 388-502 WAC. For information on audits and the audit appeal process, see WAC 388-502-0240.

(3) The department pays an eligible CAH for inpatient and outpatient hospital services provided to fee-for-service medical assistance clients on a cost basis (except when services are provided in a distinct psychiatric unit, a distinct rehabilitation unit, or detoxification unit), using departmental weighted costs-to-charges (DWCC) rates and a retrospective cost settlement process. The department pays CAH fee-for-service claims subject to retrospective cost settlement, adjustments such as a third party payment amount, any client responsibility amount, etc.

(4) For inpatient and outpatient hospital services provided to clients enrolled in a managed care organization (MCO) plan, DWCC rates for each CAH are incorporated into the calculations for the managed care capitated premiums. The department considers managed care Health Options and MHD designee DWCC payment rates to be cost. Cost settlements are not performed by the department for managed care claims.

(5) The department prospectively calculates fee-for-service and managed care inpatient and outpatient DWCC rates separately for each CAH.

(a) Prior to the department's calculation of the prospective interim inpatient DWCC and outpatient DWCC rates for each hospital participating in the CAH program, the CAH must timely submit the following to the department:

(i) Within twenty working days of receiving the request from the department, the CAH's estimated aggregate charge master change for its next HFY;

(ii) At the time that the "as filed" version of the medicare cost report the CAH initially submits to the medicare fiscal intermediary for the cost settlement of its most recently completed HFY, a copy of that same medicare cost report;

(iii) At the same time that the "as filed" version of the medicare cost report the CAH has submitted to the medicare fiscal intermediary for cost settlement of its most recently completed HFY, the CAH's corresponding revenue codes and procedure codes to cost centers crosswalk that indicates the revenue codes and procedure codes that are assigned by each hospital to a specific cost center in the hospital's medicare cost report;

(iv) At the same time that the "as filed" version of the medicare cost report the CAH has submitted to the medicare fiscal intermediary for cost settlement of its most recently completed HFY, a document indicating any differences between the CAH's revenue codes and procedure codes to cost centers crosswalk and the standard revenue codes and procedure codes to cost centers crosswalk that the department provides to the CAH from the department's CAH DWCC rate calculation model. (For example, a CAH hospital might indicate when it submits its crosswalk to the department, that a difference exists in the CAH's placement of statistics for the anesthesia revenue code normally identified to the anesthesia cost center in the department's CAH DWCC rate calculation model, but identified to the surgery cost center in the CAH's submitted medicare cost report.)

(b) The department:

(i) Determines if differences between the CAH's crosswalk and the crosswalk in the CAH DWCC rate calculation model will be allowed when the CAH timely submits the document identified in (a)(iii) and (a)(iv) of this subsection. If the CAH does not timely

submit the document, the department may use the CAH DWCC rate calculation model without considering the differences.

(ii) Does not allow unbundling or merging of the standard cost centers identified in the CAH DWCC rate calculation model when the department calculates the DWCC rates. This is a standard the department follows during the rate calculation process even though the CAH hospital may have in contrast to the CAH DWCC rate calculation model indicated multiple cost centers, or merged into fewer costs centers, when reporting in the medicare cost report. (For example, a CAH reports to the department that in the department's standard radiology cost center grouping in the CAH DWCC rate calculation model, the hospital has established three costs centers in the medicare cost report, which are radioisotopes, radiology therapeutic, and radiology diagnostic. During the rate calculation process, the department combines these three cost centers under the standard radiology cost center grouping. No unbundling of the standard cost center grouping is allowed.)

(c) The department:

(i) Obtains from its medicaid management information system (MMIS), the following fee-for-service summary claims data submitted by each CAH for services provided during the same HFY identified in (a)(ii) of this subsection:

(A) Medical assistance program codes;

(B) Inpatient and outpatient hospital claim types;

(C) Procedure codes (for outpatient hospital claims only), revenue codes, and diagnosis related group (DRG) codes (for inpatient claims only);

(D) Claim allowed charges, third party liability, client paid amounts, and department paid amounts; and

(E) Units of service.

(ii) Obtains Level III trauma payment data from the department of health (DOH).

(iii) Obtains the costs-to-charges ration (CCR) of each respective cost center from the "as filed" version of the medicare cost report identified in (a)(ii) of this subsection, supplemented by any crosswalk information as described in (a)(iii) and (a)(iv) of this subsection.

(iv) Obtains from the managed care encounter data the following data submitted by each CAH for services provided during the same HFY identified:

(A) Medical assistance program codes;

(B) Inpatient and outpatient hospital claim types;

(C) Procedure codes (for outpatient hospital claims only), revenue codes, and diagnosis related group (DGR) codes (for inpatient claims only); and

(D) Claim allowed charges.

(v) Separates the inpatient claims data and outpatient hospital claims data;

(vi) Obtains the cost center claim allowed charges by classifying inpatient and outpatient hospital claim allowed charges from (c)(i) and (c)(iv) of this subsection billed by a CAH (using any one of, or a combination of, procedure codes, revenue codes, or DRG codes) into the related cost center in the CAH's "as filed" medicare cost report the CAH initially submits to the department.

(vii) Uses the claims classifications and cost center combinations as defined in the department's CAH DWCC rate calculation model;

(viii) Assigns a CAH that does not have a cost center ratio that CAH's cost center average;

(ix) Allows changes only if a revenue codes and procedure codes to cost centers crosswalk has been timely submitted (see (a)(iii), (a)(iv), and (b)(i) of this subsection) and a cost center average is being used;

(x) Does not allow an unbundling of cost centers (see (b)(ii) of this subsection);

(xi) Determines the departmental-weighted costs for each cost center by multiplying the cost center's claim allowed charges from (c)(i) and (c)(iv) of this subsection for the appropriate inpatient or outpatient claim type by the related service costs center ratio;

(xii) Sums all:

(A) Claim allowed charges from (c)(i) and (c)(iv) of this subsection separately for inpatient hospital claims.

(B) Claim allowed charges from (c)(i) and (c)(iv) of this subsection separately for outpatient hospital claims.

(xiii) Sums all:

(A) Departmental-weighted costs from (c)(xi) of this subsection separately for inpatient hospital claims.

(B) Departmental-weighted costs from (c)(xi) of this subsection separately for outpatient hospital claims.

(xiv)Multiplies each hospital's total departmental-weighted costs from (c)(xiii) of this subsection by the centers for medicare and medicaid services (CMS) medicare market basket inflation rate to update costs from the HFY to the rate setting period. The medicare market basket inflation rate is published and updated by CMS periodically;

(xv) Multiplies each hospital's total claim allowed charges from (c)(xii) of this subsection by the CAH estimated charge master change from (a)(i) of this subsection. If the charge master change factor is not submitted timely by the hospital (see (a)(i) of this subsection), the department will apply a reasonable alternative factor; and

(xvi) Determines:

(A) The inpatient DWCC rates by dividing the calculation result from (c)(xiv) of this subsection by the calculation result from (c)(xv) of this subsection.

(B) The outpatient DWCC rates by dividing the calculation result from (c)(xiv) of this subsection by the calculation result from (c)(xv) of this subsection.

(6) For a currently enrolled hospital provider that is new to the CAH program, the basis for calculating initial prospective DWCC rates for inpatient and outpatient hospital claims for:

(a) Fee-for-service clients is:

(i) The hospital's most recent "as filed" medicare cost report; and

(ii) The appropriate MMIS summary claims data for that HFY.

(b) MCO clients is:

(i) The hospital's most recent "as filed" medicare cost report; and

(ii) The appropriate managed care encounter data for that HFY.

(7) For a newly licensed hospital that is also a CAH, the department uses the current statewide average DWCC rates for the initial prospective DWCC rates.

(8) For a CAH that comes under new ownership, the department uses the prior owner's DWCC rates until:

(a) The new owner submits its first "as filed" medicare cost report to the medicare fiscal intermediary, and at the same time to the department, the documents identified in (5)(a)(i) through (a)(iv) of this section; and

(b) The department has calculated new DWCC rates based on the new owner's "as filed" medicare cost report and other timely submitted documents.

(9) In addition to the prospective managed care inpatient and outpatient DWCC rates, the department:

(a) Incorporates the DWCC rates into the calculations for the department's MCO capitated premium that will be paid to the MCO plan; and

(b) Requires all MCO plans having contract relationships with CAHs to pay inpatient and outpatient DWCC rates applicable to managed care claims. For purposes of this section, the department considers the DWCC rates used to pay CAHs for care given to clients enrolled in

an MCO plan to be cost. Cost settlements are not performed for claims that are submitted to the MCO plans.

(10) For fee-for-service claims only, the department uses the same methodology as outlined in subsection (5) of this section to perform an interim retrospective cost settlement for each CAH after the end of the CAH's HFY, using "as filed" medicare cost report data from that HFY that is being cost settled, the other documents identified in subsection (5)(a)(i), (a)(iii) and (a)(iv) of this section, when data from the MMIS related to fee-for-service claims. Specifically, the department:

(a) Compares actual department total interim CAH payments to the departmental-weighted CAH fee-for-service costs for the period being cost settled. (Interim payments are the sum of third party liability/client payments, department claim payments, and Level III trauma payments); and

(b) Pays the hospital the difference between CAH costs and interim CAH payments if actual CAH costs are determined to exceed the total interim CAH payments for that period. The department recoups from the hospital the difference between CAH costs and interim CAH payments if actual CAH costs are determined to be less than total interim CAH payments.

(11) The department performs finalized cost settlements using the same methodology as outlined in subsection (10) of this section, except that the department uses the hospital's "final settled" medicare cost report instead of the initial "as filed" medicare cost report for the HFY being cost settled. The "final settled" medicare cost report received from the medicare fiscal intermediary must be submitted by the CAH to the department by the sixtieth day of the hospital's receipt of that medicare cost report.

(12) A CAH must have and follow written procedures that provide a resolution to complaints and grievances.

(13) To ensure quality of care:

(a) A CAH is responsible to investigate any reports of substandard care or violations of the hospital's medical staff bylaws; and

(b) A complaint or grievance regarding substandard conditions or care may be investigated by any one or more of the following:

(i) Department of health (DOH); or

(ii) Other agencies with review authority for department programs.

(14) The department pays detoxification units, distinct psychiatric units, and distinct rehabilitation units operated by CAH hospitals using inpatient payment methods other than DWCC rates and cost settlement.

(a) For dates of admission before August 1, 2007, the department uses the RCW payment method to pay for services provided in detoxification units, distinct psychiatric units, and distinct rehabilitation units. The exception is for state-administered programs' psychiatric claims, which are paid using:

(i) The DRG payment method for claims grouped to stable DRG relative weights (unless the claim has an HIV-related diagnosis), and in conjunction with the base community psychiatric hospitalization payment method; or

(ii) The RCW payment method for other psychiatric claims (except for DRGs 469 and 470), in conjunction with the base community psychiatric hospitalization payment method.

(b) For dates of admission on and after August 1, 2007, the department uses the per diem payment method to pay for services provided in detoxification units, distinct psychiatric units, and distinct rehabilitation units.

(15) The department may conduct a post pay or on-site review of any CAH.

2013-022 The Health Care Authority 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	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Eligibility	
Questioned Cost Amount:	$177,568	

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 $7.68 billion during fiscal year 2013, more than $4.11 billion of which was federal dollars.

Federal regulations require the Health Care Authority (Authority) to obtain a Social Security number from each individual, including children, applying for Medicaid. Federal regulations also require the agency 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 agency must assist the individual in applying for one. Under these circumstances, the agency 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 agency to verify the validity of a Social Security number at the time of application for Medicaid. Agency's 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 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 error message to the system.

Description of Condition

We reviewed Medicaid beneficiaries in the Authority's Medicaid Management Information System (ProviderOne) and performed tests to determine if the Medicaid beneficiaries have valid Social Security numbers.

We found 512 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]	State Share
No Social Security number	500	$344,790.06	$172,395.03	$172,395.03
Number belongs to deceased person	12	$10,346.63	$5,173.31	$5,173.32
Total	**512**	**$355,136.69**	**$177,568.34**	**$177,568.35**

Cause of Condition

The Authority has continuously made improvements in its training and monitoring, and maintains adequate Social Security number verification procedures. However, it is still not preventing or detecting all unallowable payments.

Effect of Condition and Questioned Costs

When the Authority provides services to ineligible individuals, or the services are unallowable and/or unsupported, the service cannot be claimed for federal reimbursement. Payments for services for these 512 clients were $355,136.69. We are questioning $177,568.34, which is 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 Authority:

- Follow up on the 512 clients for whom the Authority 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 Authority's Social Security number verification procedures.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Agency's Response

The Authority concurs that there were instances of missing social security numbers due to worker errors. We will review training opportunities with staff whose primary duties include processing of Medicaid applications. This training will include policy, procedures, and proper use of automated systems.

The Authority will review all cases and consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Auditor's Concluding Remarks

We thank the Authority for its cooperation and assistance throughout the audit.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

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.

(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 in part:

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. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor shall also report known questioned costs when likely questioned costs are greater than $10,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor shall include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

Title 42, Code of Federal Regulations, Section 435.910(a) Use of social security number, states in part:

[T]he agency must require, as a condition of eligibility, that each individual (including children) seeking Medicaid furnish each of his or her Social Security numbers (SSN). . . .

Title 42, Code of Federal Regulations, Section 435.910 (g) states:

The agency must verify the SSN furnished by an applicant or beneficiary to insure the SSN was issued to that individual, and to determine whether any other SSNs were issued to that individual.

Title 42, Code of Federal Regulations, Section 435.910 (e) states:

If an applicant cannot recall his SSN or SSNs or has not been issued a SSN 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 beneficiaries, 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 beneficiary'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 beneficiary to furnish them and meet other requirements of 435.910.
(c) For any beneficiary whose SSN was established as part of the case record without evidence required under the SSA regulations as to age, citizenship, alien status, or true identity, the agency must obtain verification of these factors in accordance with 435.910.

2013-023 The Health Care Authority does not have adequate controls to ensure inpatient high outlier payments to hospitals are accurate.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	$42,196.43	

Background

Medicaid is a jointly funded state and federal partnership providing health coverage for certain low-income individuals who otherwise might go without medical care. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program, and in the state of Washington the Health Care Authority is the single state agency to administer the state's Medicaid program.

From the Medicaid program, hospitals receive either case-based payments (Diagnosis-Related Group based prospective payments), a set amount of dollars per day of inpatient stay (per-diem payments) or fees for individual services (fee-for-services). The DRG payments are unilaterally set by the state governments, usually as a percentage of Medicare DRGs.

High outlier payments are additional supplemental payments to hospitals to compensate hospitals for cases incurring extraordinarily high costs. These payments are designed to protect the hospital from large financial losses due to unusually expensive cases. High outlier payments are to be made only in situations where the cost of care is extraordinarily high in relation to the average cost of treating comparable conditions or illnesses. The actual determination of whether a case qualifies for outlier payments takes into account both operating and capital costs (estimated cost of claim) and DRG (Diagnosis Related Group) payments. High outlier payments are payments approved by the CMS under section 1886(d)(5)(A) of the Social Security Act.

An inpatient claim qualifies for a high outlier if the inpatient claim cost is greater than the following two high outlier thresholds:

- $50,000, and
- An amount calculated by multiplying the inpatient claim's predetermined allowed amount by the outlier threshold factor or marginal cost factor

Description of Condition

During our audit, we found that the Authority did not have adequate controls to ensure inpatient high outlier payments to hospitals are accurate. The Authority included noncovered service charges to claims when determining high outlier payments.

We also found that the Authority did not have controls in place to ensure rate changes are applied to all eligible inpatient claims. The Authority submitted a State Plan Amendment (SPA) to adjust high outlier factors effective for hospital admissions on or after August 1, 2012. CMS approved the plan and the Authority implemented the adjusted high outlier factors into ProviderOne system, Medicaid Management Information System, in March 2013. However, the Authority failed to apply the new adjusted high outlier factors retroactively to inpatient claims that were already paid.

Cause of Condition

The Authority was unaware that noncovered services were included in high outlier payment calculation.

The Authority was unaware that the new adjusted high outlier factors were not applied retroactively to inpatient claims that were already paid.

Effect of Condition and Questioned Costs

During our testing, we selected the top 154 high outlier inpatient claims. We identified 48 claims where noncovered charges were included when calculating the high outlier payment, resulting in a total overpayment of $84,392.85. We are questioning $42,196.43, which is the federal portion[1] of the unallowable 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.

We also identified 66 high outlier claims that were calculated using outdated high outlier factors, resulting in a total underpayment of $642,657.38 to hospitals.

Recommendation

We recommend the Authority:

- Establish adequate controls to ensure noncovered services are removed prior to calculating high outlier payments.
- Establish adequate controls to ensure rate changes are implemented accurately.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.
- Follow up on 66 claims and identify all high outlier payments that were paid based on outdated high outlier factors.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

Agency's Response

The Authority partially disagrees with this finding.

The Authority follows its current Washington Administrative Codes (WACs) correctly in calculating outlier costs. It removed noncovered charges as they are defined in the below WACs:

- *WAC 182-550-3700 (14) "…. The estimated costs of the claim are calculated by multiplying the total submitted charges, minus the noncovered charges on the claim, by the hospital's ratio of costs-to-charges (RCC) rate…"*
- *WAC 182-550-1050 '….."Noncovered charges" means billed charges submitted to the department by a provider on a claim that are indicated by the provider on the claim as noncovered."*

The Authority ensured claims were paid correctly and took steps to recoup incorrect payments as soon as they were discovered.

The Authority is/has taken the following steps for addressing the findings:

- *The Authority is currently working to change its WAC and payment system to align with the auditor's recommendation. Both are scheduled to be in place and effective for claims with admit dates on or after August 1, 2014. At that time, denied lines will no longer be included in the part of the outlier calculation related to costs.*
- *The Authority has reallocated the inpatient program workload in order to allow additional capacity for monitoring system and rate changes.*
- *The Authority initiated action to recoup and repay some of the claims identified by the auditor that were paid with outdated high outlier factors. For the other claims as stated above, current WAC does not allow the agency to remove charges other than those that the WAC defines as noncovered when the agency calculates costs for outlier payments.*

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.

42 US Code § 1395ww (5)(A)(i) states,

> For discharges occurring during fiscal years ending on or before September 30, 1997, the Secretary shall provide for an additional payment for a subsection (d) hospital for any discharge in a diagnosis-related group, the length of stay of which exceeds the mean length of stay for discharges within that group by a fixed number of days, or exceeds such mean length of stay by some fixed number of standard deviations, whichever is the fewer number of days.

42 CFR 412.80, Outlier cases: General provisions, (a) Basic rule, states in part:

(3) *Discharges occurring on or after October 1, 2001.* For discharges occurring on or after October 1, 2001, except as provided in paragraph (b) of this section concerning transfers, CMS provides for additional payment, beyond standard DRG payments and beyond additional payments for new medical services or technology specified in §§412.87 and 412.88, to a hospital for covered inpatient hospital services furnished to a Medicare beneficiary if the hospital's charges for covered services, adjusted to operating costs and capital costs by applying cost-to-charge ratios as described in §412.84(h), exceed the DRG payment for the case (plus payments for indirect costs of graduate medical education (§412.105), payments for serving a disproportionate share of low-income patients (§412.106), and additional payments for new medical services or technologies) plus a fixed dollar amount (adjusted for geographic variation in costs) as specified by CMS.

42 CFR 412.84, Payment for extraordinarily high-cost cases (cost outliers), states in part:

(a) A hospital may request its intermediary to make an additional payment for inpatient hospital services that meet the criteria established in accordance with §412.80(a).
(b) The hospital must request additional payment—
  (1) With initial submission of the bill; or
  (2) Within 60 days of receipt of the intermediary's initial determination.
(c) Except as specified in paragraph (e) of this section, an additional payment for a cost outlier case is made prior to medical review.
(d) As described in paragraph (f) of this section, the QIO reviews a sample of cost outlier cases after payment. *The charges for any services identified as noncovered* through this review are denied and any outlier payment made for these services are recovered, as appropriate, after a determination as to the provider's liability has been made.

WAC 182-550-3700, DRG high-cost and low-cost outliers, and new system DRG and per diem high outliers, states in part:

(14) For dates of admission on and after August 1, 2007, the department allows a high outlier payment for claims paid using the DRG payment method when high outlier qualifying criteria are met. The estimated costs of the claim are calculated by multiplying the total submitted charges, *minus the noncovered charges on the claim*, by the hospital's ratio of costs-to-charges (RCC) rate. The department identifies a DRG high outlier claim based on the claim's estimated costs. to qualify as a DRG high outlier claim, the department's estimated costs for the claim must be greater than both the fixed outlier cost threshold of fifty thousand dollars, and one hundred seventy-five percent of the applicable base DRG allowed amount for payment. These criteria are also used to determine if a transfer claim qualifies for high outlier payment when a transfer claim is submitted to the department by a transferring hospital.

WAC 296-23A-0500, When does a case qualify for high outlier status?, states in part:

Outlier payments apply only to diagnosis-related-group (DRG) reimbursed cases with unusually high or low costs. Outlier status does not apply to cases paid using a percent of allowed charges (POAC) factor or per diem rates.

A case is considered a high cost outlier if the costs for the case exceed the outlier threshold for the assigned diagnosis-related-group. The costs for a case are determined by multiplying the allowed charges for the case by the hospital specific POAC factor. The threshold used to define a high outlier case is the greater of a dollar threshold of twelve thousand dollars or two standard deviations above the statewide average cost for each DRG paid by the department.

The dollar threshold may be adjusted annually for inflation or other factors as determined by the department. The standard deviations for DRGs will be computed from all relevant cases in the historical data base, excluding statistical outliers.

WAC 296-23A-0520,

How does the department pay for high outlier cases?, states in part:

> Cases defined as high cost outliers will be reimbursed at the diagnosis-related-group (DRG) payment rate plus one hundred percent of costs in excess of the threshold. Costs are determined by multiplying the allowed charges by the hospital specific percent of allowed charges (POAC) factor.

2013-024 The Health Care Authority's internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are accurate, resulting in over $95,000 in potential overpayments on premium rates paid to the managed care organizations.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles
Questioned Cost Amount:	$47,686

Background

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. Capitation rates are calculated based in part on how much spending managed care organizations report.

The Authority contracts with an actuary to analyze this data to use in developing capitation rates. In general, the rate is higher for plans which include more seriously ill people.

In a report dated August 4, 2010, CMS's Oversight of States' Rate Setting Needs Improvement, 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 2012, we reported concerns regarding the Authority's lack of review of the accuracy of data from providers that are used to determine the rates in this state.

The state paid approximately $1.4 billion to managed care organizations during fiscal year 2013.

Description of Condition

We found the Authority does not verify the accuracy of data from providers that are 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 underlying data is reliable. If underlying data used is inaccurate or incomplete, it could result in inaccurate rates.

Cause of Condition

The Authority stated that it planned to take the following action in an effort to resolve the repeat findings on this issue:

- Use encounter data submitted from the Managed Care Organizations (MCOs) for the next rate-setting activities. The MCOs will no longer submit encounter data directly to the Authority's actuary.
- Launch a Managed Care Program Integrity Initiative with the implementation of a new Medicaid payment system and a new Fraud and Abuse Detection System. The purpose of the initiative is to assess the quality and completeness of encounter data provided by MCOs and to conduct analyses that identify potential fraud, waste and abuse. If encounter data problems are identified, the Authority will prepare a report with actionable information for the plans. Subsequent encounter data validation runs will determine the MCOs' progress in remediating the identified issues.

However, the plan was not fully operational during the audit period.

Effect of Condition and Questioned Costs

In fiscal years 2003 through 2011, we reported concerns regarding the Authority's lack of review of the accuracy of data from providers that are used to determine the rates in this state. We did not have quantitative evidence of overpayments as a result of our concerns at the time we released these findings. A performance audit of the Authority's management of the state's two largest MCOs that will be released later this year has provided us with evidence that overpayments from MCOs to providers are affecting the state's Medicaid provider payments.

The analysis included a risk-based, judgmental sample of a limited number of transactions that took place in 2010 and affected state payments to MCOs starting in state fiscal year 2013. The performance audit (PA) identified $91,505 in estimated overpayments made by MCO to providers in 2010 and one underpayment of $15,814, for net estimated overpayments of $75,691.

These estimated overpayments in 2010 resulted in additional costs to the state, because the 2010 expenditures reported by MCOs were used to calculate the premium rates paid by the state to MCOs starting in fiscal year 2013. In order to determine how the estimated overpayments impact premium payments, PA conducted an actuarial analysis that shows that for every $1 in overpayments made by the two audited MCOs to their providers in 2010, the state potentially paid an additional $1.26 in premiums to all MCOs in FY 2013. This is based on an enrollment of 695,000 members.

Based on this rate, the $75,691 of net overpayments to providers in 2010 resulted in $95,371 of premium overpayments to MCOs. We are questioning $47,686, which is the federal portion of the unallowable expenditures.

Recommendation

We recommend the Authority:

- Establish and follow controls to provide reasonable assurance that data used in rate-setting is accurate and complete.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Agency's Response

The Health Care Authority (HCA) does not concur with this finding.

In the Background section, it is noted that this repeat finding questions the accuracy of encounter data and cites the lack of review of data provided to the actuary and used to set rates. No evidence is presented showing that managed care contract rates were inaccurate. While HCA agrees that additional oversight and controls of Managed Care Organizations (MCO) will strengthen the state's ability to adequately manage the MCO contracts, the audit finding does not identify a managed care rate inaccuracy on which to base the questioned costs.

HCA disagrees with the methodologies used to identify questioned costs in this audit finding for three reasons. First, questioned costs were identified in a performance audit which is intended to improve management of the program. No evidence of claims data is presented to support that the payments in question directly impact the managed care rates, as the auditor claims. As a result, HCA is unable to confirm the questioned costs. Second, the audit finding states that items identified as "errors" were "not paid in compliance with standard medical coding practices or were not properly supported with appropriate documentation". This is not necessarily an overpayment; it only shows that documentation should be stronger and practices need to be standardized. Third, the audit finding uses an actuarial analysis to assert that "for every $1 in overpayments made by the two audited MCOs to their providers in 2010, the state potentially paid an additional $1.26 in premiums to all MCOs in FY 2013." While this analysis can be used to identify performance improvements possible in the managed care program, the analysis clearly states there is only a potential for overpayment. No identification of an actual overpayment is made. In addition, the actuarial analysis is not based on the sample of payments in question.

Auditor's Concluding 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. A performance audit of the Authority's management of the state's two largest MCOs has provided us with quantitative evidence of overpayments as a result of control weakness we identified. We calculated the questioned costs based on the overpayments MCOs made to their providers in 2010 since the 2010 expenditures reported by managed care organizations were used to calculate the premium rates paid by the state to managed care organizations starting in 2013. We reaffirm 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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

42 CFR 456.3, Statewide surveillance and utilization control program, states:

> The Medicaid agency must implement a statewide surveillance and utilization control program that—
>
> (a) Safeguards against unnecessary or inappropriate use of Medicaid services and against excess payments;
>
> (b) Assesses the quality of those services;
>
> (c) Provides for the control of the utilization of all services provided under the plan in accordance with subpart B of this part; and

(d) Provides for the control of the utilization of inpatient services in accordance with subparts C through I of this part.

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.

2013-025 The Health Care Authority did not invoice Medicaid drug rebates to drug manufacturers in accordance with the time frame stipulated by state and federal laws.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	None	

Background

Medicaid is a jointly funded state and federal partnership providing health coverage for certain low-income individuals who otherwise might go without medical care. This coverage includes outpatient drugs.

The Medicaid drug program, which began in 1991, is set forth in section 1927 of the Social Security Act. For Federal payment to be available for covered outpatient drugs provided under Medicaid, drug manufacturers are required to enter into a rebate agreement with the Secretary of Health and Human Services and pay quarterly rebates to States. Under these rebate agreements, manufacturers must provide Center for Medicare and Medicaid Services (CMS) with the average manufacturer price (AMP) by national drug code (NDC) for each of their covered drugs. CMS uses the AMP and best price data to calculate the unit rebate amount (URA) for each NDC included in the Medicaid drug rebate program and transmits this information to the States.

States then calculate the total quarterly rebates that participating manufacturers owe by multiplying the URA for a specific drug by the number of units of that drug for which the State reimbursed providers in that quarter. Within 60 days of the end of the quarter, States must invoice the manufacturers for the units reimbursed and indicate the total rebate due for each NDC. The manufacturers process the invoices and pay the rebates to the States within 30 days of receipt of the invoices.

The Authority invoiced manufacturers for more than $163 million in drug rebates for drug units it paid during the audit period.

Description of Condition

During our audit, we reviewed all invoices which were processed during the audit period to determine if the Authority invoiced drug manufacturers within 60 days of the end of each quarter.

The table below summarizes the results.

Quarter Ending Date	Total invoice amount	Average number of days between quarter ending date and invoice date
9/30/2012	$51,175,666.15	117
12/31/2012	$36,686,579.32	149
3/31/2013	$46,757,078.42	89
6/30/2013	$26,072,893.38	123

Cause of Condition

The Authority stated that 60 days is not sufficient to complete invoice process as required by state and federal laws. The first 30 days after the end of quarter are dedicated to the manufacturer for supplying pricing information to CMS. The next 15 days are dedicated to CMS for addressing pricing issues, calculating unit rebate amounts. The State then has only 15 days for invoicing to be completed.

Effect of Condition

Untimely reimbursement requests may result in a hold on limited Medicaid resources that would otherwise be directed to other Medicaid services.

Recommendation

We recommend the Authority invoice Medicaid drug rebates to drug manufacturers in accordance with the time line stipulated by state and federal laws.

Agency's Response

The Authority agrees with this finding.

The Authority strives to ensure that Drug Rebate invoices reflect correct utilization and unit rebate amounts. As such, system modifications and unanticipated data patches have had to be implemented which caused the invoice delays.

The Authority is taking the following steps to improve timely invoicing for Drug Rebates:

- *Re-evaluate and streamline the invoicing workflow established at Provider One implementation;*
- *Review responsibilities and timeline requirements for each element of the invoicing process; and*
- *Drug Rebate system requests/modifications will be elevated to higher priority/visibility.*

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.

42 U.S.C. 1396r–8. Payment for covered outpatient drugs, states in part:

> (b) Terms of rebate agreement
>
> (1) Periodic rebates
>
> (A) In general: A rebate agreement under this subsection shall require the manufacturer to provide, to each State plan approved under this subchapter, a rebate for a rebate period in an amount specified in subsection (c) of this section for covered outpatient drugs of the manufacturer dispensed after December 31, 1990, for which payment was made under the State plan for such period, including such drugs dispensed to individuals enrolled with a medicaid managed care organization if the organization is responsible for coverage of such drugs. Such rebate shall be paid by the manufacturer not later than 30 days after the date of receipt of the information described in paragraph (2) for the period involved.
>
> (B) Offset against medical assistance: Amounts received by a State under this section (or under an agreement authorized by the Secretary under subsection (a)(1) of this section or an agreement described in subsection (a)(4) of this section) in any quarter shall be considered to be a reduction in the amount expended under the State plan in the quarter for medical assistance for purposes of section 1396b(a)(1) of this title.
>
> (2) State provision of information, states in part:
>
> (A) State responsibility
>
> Each State agency under this title shall report to each manufacturer not later than 60 days after the end of each rebate period and in a form consistent with a standard reporting format established by the Secretary, information on the total number of units of each dosage form and strength and package size of each covered outpatient drug dispensed after December 31, 1990, for which payment was made under the plan during the period, including such information reported by each medicaid managed care organization,'' after ''for which payment was made under the plan during the period, and shall promptly transmit a copy of such report to the Secretary.

Health Care Authority Medicaid Drug Rebate Policy

> C. PREPARING MEDICAID DRUG REBATE INVOICES
>
> 1. No later than 60 days after the end of the calendar quarter, HCA will prepare and transmit an invoice using the CMS-R-144 State Invoice format to each labeler participating in the drug rebate program. HCA will also transmit a copy of form CMS-R-144 to CMS and to the Office of Financial Recovery (OFR).

2013-026 The Health Care Authority's inadequate internal controls over claims from Federally Qualified Health Centers led to more than $226,279.66 in improper payments to providers.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles
Questioned Cost Amount:	$113,139

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 $7.6 billion during fiscal year 2013. More than $4.5 billion of that relates to activities of the Health Care Authority (Authority), of which more than $4.3 billion was paid directly to providers.

Federally Qualified Health Centers (FQHC) are "safety net" providers such as community health centers, public housing centers, outpatient health programs funded by the Indian Health Services and programs serving migrants and the homeless. The main purpose of the FQHC program is to enhance the provision of primary care services in underserved urban and rural communities.

With few exceptions, FQHCs are paid based on a client encounter with a provider regardless of the number or type of procedures provided during the encounter. An encounter is a face-to-face visit between a client and a qualified FQHC provider who exercises independent judgment when providing services that qualify for an encounter rate.

Encounters are limited to one per client, per day except in the following circumstances:

- The client needs to be seen on the same day by different practitioners with different specialties; or
- The client needs to be seen multiple times on the same day due to unrelated diagnoses.

During fiscal year 2013, the Authority paid more than $187 million to FQHC providers.

Description of Condition

The Medicaid claim adjudication and payment process is highly automated. The Authority relies heavily on internal controls within ProviderOne, the State of Washington Medicaid Management Information System, to identify and deny claims when charges are unallowable or billed improperly by FQHC providers.

In our prior audit, we reported concerns regarding the Authority's inadequate internal controls over claims from FQHC. We found the internal controls within ProviderOne were not effectively designed to prevent improper claims from being paid.

In response to our finding, the Authority stated that it established an internal workgroup which updates the system and billing guides for FQHCs so the system edits prevent overpayments and improper billings at the point of claim submission. However, new system edits were not implemented during the audit period.

Cause of Condition

ProviderOne system edits designed to prevent improper billings and payments did not work as intended due to system errors. Also, additional system edits the Authority planned to implement were not completed and operational during the audit period.

Effect of Condition and Questioned Costs

Due to the internal control weaknesses described above, we performed tests to determine if the Authority improperly paid FQHC providers. The table below summarizes the results of our testing:

Description	Number of claims	Questioned costs		
		State	Federal	Total
Fee-for-service claims were paid in addition to encounter payments	5,975	75,284.07	75,284.07	150,568.14
Encounter payments were made for encounter ineligible claims	1,208	37,518.42	37,518.42	75,036.84
More than one encounter payment was made for the same client	3	337.34	337.34	674.68
Total	7,186	113,139.83	113,139.83	226,279.66

We are questioning $ 113,139.83, which is the federal portion of the unallowable costs.

During our testing we also noted that some encounter eligible claims were billed and paid at fee-for-services rates. The questioned costs (the net of overpayments and underpayments) cannot presently be determined.

Recommendation

We recommend the Authority:

- Develop adequate internal controls within its ProviderOne system to detect and prevent improper and unallowable claims submitted by FQHC providers.
- Recoup $226,279.66 in overpaid amounts from the FQHC providers.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Agency's Response

The Authority agrees with the finding.

Health Care Authority (HCA) is performing the following activities to address this finding::

- *Complete the update of both the Washington Administrative Code (WAC) and provider billing guide to clearly define allowable encounters; and*
- *Update ProviderOne system logic to align with the WAC and billing guide and ensure that system edits are in place to prevent overpayments and improper billings at the point of claim submission.*

In addition, HCA staff will work with the US Department of Health and Human Services to discuss repayment of questioned costs.

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.
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-133 Compliance Supplement for 2012, *Part 3 – Compliance Requirements*, states in part:

> Improper Payments
>
> Under OMB guidance, Public Law (Pub. L.) No. 107-300, the Improper Payments Information Act of 2002, as amended by Pub. L. No. 111-204, the Improper Payments Elimination and Recovery Act, Executive Order 13520 on reducing improper payments, and the June 18, 2010 Presidential memorandum to enhance payment accuracy, Federal agencies are required to take actions to prevent improper payments, review Federal awards for such payments, and, as applicable, reclaim improper payments. Improper payment means:
>
> 1. Any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements.
> 2. Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service, any payment that does not account for credit for applicable discounts, payments that are for the incorrect amount, and duplicate payments).
> 3. Any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments where authorized by law).
> 4. Any payment that an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation.

Washington Administrative Code 182-548-1400, Federally qualified health centers – Reimbursement and limitations, states in part:

> (8) The agency limits encounters to one per client, per day except in the following circumstances:
> (a) The visits occur with different health care professionals with different specialties; or
> (b) There are separate visits with unrelated diagnoses.
> (9) FQHC services and supplies incidental to the provider's services are included in the encounter rate payment.

2013-027 The Health Care Authority's inadequate internal controls over claims for dental services led to more than $584,511.96 in overpayments to providers.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles
Questioned Cost Amount:	$292,255.98

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 $7.6 billion during fiscal year 2013. More than $4.5 billion of that relates to activities of the Health Care Authority (Authority), of which more than $4.3 billion was paid directly to providers.

States are required to provide dental benefits to children covered by Medicaid, but states choose whether to provide dental benefits for adults. Medicaid covers dental services for all child enrollees as part of a comprehensive set of benefits, referred to as the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit. The EPSDT benefit provides comprehensive and preventive health care services for children under age 21 who are enrolled in Medicaid. At a minimum, dental services include relief of pain and infections, restoration of teeth, and maintenance of dental health.

In fiscal year 2013 the Authority paid $247 million for dental services.

Description of Condition

The Medicaid claim adjudication and payment process is highly automated. The Authority relies heavily on internal controls within the ProviderOne payment system, the State of Washington Medicaid Management Information System, to identify and deny claims when charges are unallowable or billed improperly by dental providers. In our audit for fiscal year 2012, we recommended the Authority develop adequate internal controls within its ProviderOne system to detect and prevent improper and unallowable claims submitted by dental providers.

During our current audit we found the internal controls within the system were still not effective to prevent improperly billed claims from being paid.

Cause of Condition

We noted in the previous audit inconsistencies between the Washington Administrative Code and the Authority's Medicaid provider guide for some dental services. The Authority stated that it planned to change the Washington Administrative Code. We also found that some automated controls within the ProviderOne were inadequate. The Authority is aware of the issues and in process of correcting them.

However, during the audit period most issues were not corrected because the Authority did not have adequate time to implement their corrective action plan.

Effect of Condition and Questioned Costs

We selected the following dental services and performed tests to determine whether the payments made to providers were allowable:

Fluoride Treatments for Children

Medicaid covers up to three applications of fluoride in a year for clients six years of age and younger. For clients between seven and 18 years of age, Medicaid covers up to two applications in a year, unless the client is developmentally disabled (DDA). For these clients the program covers up to three applications per client in a year. In fiscal year 2013, claims totaling $10.3 million were paid for these treatments.

The following table summarizes the number of clients who received more than the allowed number of applications and the amounts overpaid to providers for these claims.

Description	Number of Claims	Payments
Service Payments Exceeding Three Times Per DDA Client (7 years and older)	35	$463.75
Service Payments Exceeding Two Times per Non DDA Client (7 years and older)	10,153	$136,252.33
Service Payments Exceeding Three Times Per Client (6 years and younger)	7,177	$136,502.41
Overall Fluoride Testing Totals	17,365	$273,218.49

Dental Cleanings (prophylaxis)

Medicaid covers dental cleanings (prophylaxis) once every six-months for clients eighteen years of age or younger and once every twelve months for clients nineteen years of age and older. If the client is developmentally disabled, Medicaid covers up to three cleanings in a twelve month period, regardless of the client's age. In fiscal year 2013, $13.7 million in claims were paid to providers for these treatments.

We identified 998 claims totaling $32,138.03 paid to providers for cleanings that exceeded the allowed number covered by Medicaid.

Description	Number of Claims	Payments
Service Payments Exceeding Once Every 6 Months For Non-DDA 18-Years-&-Younger Clients	942	$30,058.52
Service Payments Exceeding One Time Per Year For Non-DDA 19-Years-&-Older Clients	31	$1,097.57
Service Payments Exceeding Three Times Per Year For DDA Clients	25	$981.94
Overall Prophylaxis Totals	998	$32,138.03

Oral Evaluation Services

Medicaid covers oral evaluation services, with some restrictions. We reviewed claims for periodic oral evaluations. These claims are covered once every six months and six months must lapse between the client's comprehensive oral evaluation and first periodic oral evaluation. In fiscal year 2013, Medicaid paid providers approximately $11.2 million for these evaluations.

We identified 8,206 claims totaling $254,451.78 where providers were paid for oral evaluation services that exceeded the allowed number covered by Medicaid.

Orthodontic Services

Medicaid covers orthodontic services, with some restrictions. We reviewed claims for orthodontic services. The services are covered once in a lifetime for clients with malocclusion and a qualifying medical condition. In fiscal year 2013, Medicaid paid providers approximately $2.4 million for pre-orthodontic visits.

We identified 7 claims totaling $1,937.25 where providers were paid for pre-orthodontic visits that exceeded the allowed number covered by Medicaid.

Oral Hygiene Instruction

Medicaid covers oral hygiene instruction, with some restrictions. We reviewed claims for oral hygiene instruction only for covered clients who are 8 years of age and younger. Individualized oral hygiene instruction for home care includes tooth brushing techniques, flossing, and use of oral hygiene aids. Oral hygiene instruction is covered no more than once every 6 months, up to 2 times within a 12-month period. In fiscal year 2013, Medicaid paid providers over $312,000 for oral hygiene instruction.

We identified 1,759 claims totaling $22,766.41 where providers paid for oral hygiene instruction that exceeded the allowed number covered by Medicaid.

In total, the Authority made payments of $584,511.96 for services that were not allowable for reimbursement. We are questioning $292,255.98, which is the federal portion[1] of the unallowable payments.

Recommendation

We recommend the Authority:

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

- Ensure the Medicaid provider guide is consistent with the Code.
- Develop adequate internal controls within its ProviderOne system to detect and prevent improper and unallowable claims submitted by dental providers.
- Recover the $584,511.96 in unallowable claims paid to the dental providers.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Agency's Response

The Authority agrees with this finding.

The Authority is taking the following steps to address the audit finding:

1. *Fluoride treatment for children: The agency agrees that the billing guide, Washington Administrative Code (WAC) and ProviderOne are not aligned. The agency's intent is to allow fluoride with limits based on the client's age and client type, per client, per provider. The agency is correcting the WAC as a result of the previous fiscal year's audit, a process that should be finalized by April 2014.*

2. *Dental Cleanings: The previous fiscal year's audit identified system issues that has been corrected and the agency's office of payment integrity is recouping overpayments.*

3. *Oral Evaluations: The previous fiscal year's audit found that the agency's billing guide and WAC were not aligned with ProviderOne and the agency's intended policy to allow Periodic Oral Evaluations three times per year for clients of the Developmental Disabilities Administration to coincide with cleanings. The agency is updating both the WAC, which should be finalized by April, and billing guides to reflect the agency's policy.*

4. *Orthodontic Services: Although agency rule limits the services to once in a lifetime the rules also permit exceptions to this limit through the Authority's prior authorization process based on Early Periodic Screening, Diagnosis and Treatment (EPSDT) and Exception to Rule. The Agency reviewed the seven claims identified in this audit and found that in each case the provider requested prior authorization and the Authority granted authorization based on the clients' medical necessity.*

5. *Oral Hygiene Instructions: The agency identified a system issue which has been corrected. The agency's Office of Payment Integrity will recoup overpayments.*

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

The OMB Circular A-133 Compliance Supplement (June 2012), *Part 3 – Compliance Requirements*, states in part:

Improper Payments

Under OMB guidance, Public Law (Pub. L.) No. 107-300, the Improper Payments Information Act of 2002, as amended by Pub. L. No. 111-204, the Improper Payments Elimination and Recovery Act, Executive Order 13520 on reducing improper payments, and the June 18, 2010 Presidential memorandum to enhance payment accuracy, Federal agencies are required to take actions to prevent improper payments, review Federal awards for such payments, and, as applicable, reclaim improper payments. Improper payment means:

5. Any payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements.
6. Incorrect amounts are overpayments or underpayments that are made to eligible recipients (including inappropriate denials of payment or service, any payment that does not account for credit for applicable discounts, payments that are for the incorrect amount, and duplicate payments).
7. Any payment that was made to an ineligible recipient or for an ineligible good or service, or payments for goods or services not received (except for such payments where authorized by law).
8. Any payment that an agency's review is unable to discern whether a payment was proper as a result of insufficient or lack of documentation.

WAC 182-535-1079 Dental-related services -- General, states in part:

(1) . . . The agency pays for dental-related services and procedures provided to eligible clients when the services and procedures:

(a) Are part of the client's dental benefit package;
(b) Are within the scope of an eligible client's medical care program;
(c) Are medically necessary;
(d) Meet the agency's prior authorization requirements, if any;
(e) Are documented in the client's record in accordance with chapter 182-502 WAC;
(f) Are within accepted dental or medical practice standards;
(g) Are consistent with a diagnosis of dental disease or condition;
(h) Are reasonable in amount and duration of care, treatment, or service; and
(i) Are listed as covered in the agency's rules and published billing instructions and fee schedules.

WAC 182-535-1080 Covered dental-related services-Diagnostic, states in part:

Clients described in WAC182-535-1060 are eligible to receive the dental-related diagnostic services listed in this section, subject to coverage limitations, restrictions, and client-age requirements identified for a specific service.

(1) Clinical oral evaluations. The agency covers:
    (a) Oral health evaluations and assessments.
    (b) Periodic oral evaluations as defined in WAC 182-535-1050, once every six months. Six months must elapse between the comprehensive oral evaluation and the first periodic oral evaluation.
    (c) Limited oral evaluations as defined in WAC 182-535-1050, only when the provider performing the limited oral evaluation is not providing routine scheduled dental services for the client. . . .
    (d) Comprehensive oral evaluations as defined in WAC 182-535-1050, once per client, per provider or clinic, as an initial examination. The agency covers an additional comprehensive oral evaluation if the client has not been treated by the same provider or clinic within the past five years.

(e) Limited visual oral assessments as defined in WAC 182-535-1050, up to two per client, per year, per provider only when the assessment is:
  (i) Not performed in conjunction with other clinical oral evaluation services;
  (ii) Performed by a licensed dentist or dental hygienist to determine the need for sealants or fluoride treatment and/or when triage services are provided in settings other than dental offices or clinics; and
  (iii) Provided by a licensed dentist or licensed dental hygienist.

(2) Radiographs (X rays). The agency:
  (c) Covers an intraoral complete series once in a three-year period only if the agency has not paid for a panoramic radiograph for the same client in the same three-year period. The intraoral complete series includes fourteen through twenty-two periapical and posterior bitewings. The agency limits reimbursement for all radiographs to a total payment of no more than payment for a complete series.
  (e) Covers an occlusal intraoral radiograph once in a two-year period, for clients twenty years of age and younger.
  (g) Covers a maximum of four bitewing radiographs (once per quadrant) once every twelve months.
  (h) Covers panoramic radiographs in conjunction with four bitewings, once in a three-year period, only if the agency has not paid for an intraoral complete series for the same client in the same three-year period.
  (j) Covers cephalometric films once in a two-year period for clients twenty years of age and younger, only on a case-by-case basis and when prior authorized.

WAC 182-535-1082 Covered dental-related services-Prosthodontics, states in part:

Clients described in WAC 182-535-1060 are eligible for the dental-related preventive services listed in this section, subject to coverage limitations and client-age requirements identified for a specific service.

(1) Dental prophylaxis. The agency covers prophylaxis as follows. Prophylaxis:
  (a) Includes scaling and polishing procedures to remove coronal plaque, calculus, and stains when performed on primary or permanent dentition.
  (b) Is limited to once every:
    (i) Six months for clients eighteen years of age and younger; and
    (ii) Twelve months for clients nineteen years of age and older.
  (c) Is reimbursed only when the service is performed:
    (i) At least six months after periodontal scaling and root planing, or periodontal maintenance services, for clients from thirteen to eighteen years of age; and
    (ii) At least twelve months after periodontal scaling and root planing, periodontal maintenance services, for clients nineteen years of age and older.
  (d) Is not reimbursed separately when performed on the same date of service as periodontal scaling and root planing, periodontal maintenance, gingivectomy, or gingivoplasty.
  (e) Is covered for clients of the division of developmental disabilities according to (a), (c), and (d) of this subsection and WAC 182-535-1099.

(2) Topical fluoride treatment. The agency covers:
  (a) Fluoride rinse, foam or gel, including disposable trays, for clients six years of age and younger, up to three times within a twelve-month period.
  (b) Fluoride rinse, foam or gel, including disposable trays, for clients from seven to eighteen years of age, up to two times within a twelve-month period.
  (c) Fluoride rinse, foam or gel, including disposable trays, up to three times within a twelve-month period during orthodontic treatment.

(d) Fluoride rinse, foam or gel, including disposable trays, for clients from nineteen to sixty-four years of age, once within a twelve-month period.
(e) Fluoride rinse, foam or gel, including disposable trays, for clients sixty-five years of age and older who reside in alternate living facilities, up to three times within a twelve-month period.
(f) Additional topical fluoride applications only on a case-by-case basis and when prior authorized.
(g) Topical fluoride treatment for clients of the division of developmental disabilities according to WAC 182-535-1099.

WAC 182-535-1099 Covered dental-related services for clients of the division of developmental disabilities, states in part:

Subject to coverage limitations, restrictions, and client-age requirements identified for a specific service, the agency pays for the dental-related services listed under the categories of services in this section that are provided to clients of the division of developmental disabilities. This chapter also applies to clients of the division of developmental disabilities, regardless of age, unless otherwise stated in this section.

(1) Preventive services.
(a) Dental prophylaxis. The agency covers dental prophylaxis or periodontal maintenance up to three times in a twelve-month period (see subsection (3) of this section for limitations on periodontal scaling and root planing).
(b) Topical fluoride treatment. The agency covers topical fluoride varnish, rinse, foam or gel, up to three times within a twelve-month period.

WAC 182-535-1245 Access to baby and child dentistry (ABCD) program, states in part:

The access to baby and child dentistry (ABCD) program is a program established to increase access to dental services for medicaid-eligible clients ages five and younger. . .

(3) The department pays enhanced fees only to ABCD-certified dentists and other department-approved certified providers for furnishing ABCD program services. ABCD program services include, when appropriate:
(a) Family oral health education. An oral health education visit:
(i) Is limited to one visit per day per family, up to two visits per child in a twelve-month period, per provider or clinic; . . .
(b) Periodic oral evaluation, up to two visits per client, per calendar year, per provider or clinic;

2013-028 The Health Care Authority did not complete the required security reviews of ProviderOne, the new Medicaid Management Information System, risking the loss of Medicaid program assets and jeopardizing Medicaid program integrity.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster 93.720 ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative 93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare 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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	ADP Risk Analysis and System Security Review
Questioned Cost Amount:	None

Background

The Medicaid program is highly dependent on extensive and complex computer systems that include controls for ensuring the proper payment of Medicaid benefits. Federal law requires the state to establish and maintain a program for conducting periodic risk analyses to ensure appropriate, cost effective safeguards are incorporated into new and existing systems. The state is required to perform risk analyses whenever significant system changes occur. On a biennial basis the state is also required to review the Automatic Data Processing (ADP) system security of installations involved in the Medicaid program. At a minimum, the reviews shall include an evaluation of physical and data security operating procedures, and personnel practices.

The ProviderOne system, the State of Washington's Medicaid Management Information System, went live in May 2010. It replaces a 32-year-old payment system for Medicaid, a shared state-federal health program that serves low-income parents, children, seniors and people with disabilities. The new system software, built by Rockville, Md.-based CNSI, handles millions in payments for medical and nursing home care to thousands of health care providers, including doctors and pharmacies.

The state Medicaid program spent more than $7.6 billion during fiscal year 2013, of that more than $4.1 billion was federal dollars.

Description of Condition

The Health Care Authority (HCA) contracted with a vendor, which developed ProviderOne to process state Medicaid payments. For the fiscal year ended June 30, 2013, ProviderOne processed approximately 42 million Medicaid transactions totaling $4.5 billion.

In our audit for fiscal year 2012, we reported the Authority did not complete the ADP risk analysis and system security reviews of the ProviderOne system as required by federal law. The Authority has made improvements by

performing an ADP risk analysis and a system security review of its own processes; however, a significant deficiency continued to exist.

The ProviderOne system is managed by both the Authority and the vendor, CNSI. The Authority owns the hardware and software and CNSI maintains the ProviderOne servers and production database. To protect Medicaid program integrity and data security, the ADP system security review of ProviderOne needs to encompass all systems, operating procedures and personnel practices of the Authority and CNSI.

During our review, we found security reviews were not performed on the ProviderOne servers and production database that CNSI has direct control over.

The Authority stated that it added a requirement to the ProviderOne contract for an independent audit of the system of internal controls at the vendor location in January 2013. An audit of a service organization's internal controls involves a phased approach. The first phase won't be completed until spring of 2014.

Cause of Condition

The Authority and the vendor did not adequately address responsibilities, controls and requirements for monitoring in the contract for the ProviderOne system. The Authority did not have complete knowledge of the extent of their monitoring responsibilities for ProviderOne.

Effect of Condition

The ProviderOne system is vulnerable to unauthorized access and unauthorized or erroneous entries into ProviderOne can be made without Authority knowledge or oversight. Also, the Authority cannot assure that the ProviderOne system is adequately safeguarding program assets and maintaining program integrity to prevent:

- Misuse, loss or misappropriation of public funds
- Inaccurate payments
- Unauthorized software changes to the ProviderOne system
- Unauthorized use or modification of confidential information

Recommendation

We recommend the Authority continue to improve the monitoring and oversight of the ProviderOne system to verify system security reviews of ProviderOne are performed on a regular basis to ensure data security and Medicaid program integrity.

Agency's Response

The Health Care Authority (HCA) disagrees with this finding.

The Authority does not agree that ProviderOne security reviews are lacking or that lack of controls and monitoring in the contract introduce a significant system security review deficiency. While neither expected nor required by the federal government for any Medicaid payment system, to strengthen HCA's ability to monitor vendor controls, the HCA added a requirement for external audit to the ProviderOne vendor contract in January 2013 (Contract 30556-67302 Amendment 34 Section 30). This includes security reviews of servers and production databases and will provide additional assurance that effective controls are in place. Under the new requirement, CNSI is required to undergo a biennial Statement on Standards for Attestation Engagement (SSAE) No.16 Type II or successor audit.

As previously reported, the satisfaction of this SSAE audit occurs in multiple phases including the final completion of the audit in the first quarter of 2014.

The following milestones of this audit were completed on time in 2013 and CNSI has met all contractual obligations:

- *Contractor delivered to HCA SAS70 or SSAE audit report from the Contractor's vendors by March 2013;*
- *Contractor completed and delivered to HCA complete documentation for SSAE Type I and II controls by July and December 2013;*
- *The final phase of this audit is on target to be completed in the first quarter of this year.*

HCA has and continues to ensure that the appropriate safeguards and effective controls are in place to protect Medicaid program integrity and data security.

Auditor's Concluding Remarks

We thank the Authority for its response.

However, security reviews were not performed on the ProviderOne servers and production database that CNSI has direct control over. We reaffirm 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 45 CFR 95.621 ADP reviews.

> The Department will conduct periodic onsite surveys and reviews of State and local agency ADP methods and practices to determine the adequacy of such methods and practices and to assure that ADP equipment and services are utilized for the purposes consistent with proper and efficient administration under the Act. Where practical, the Department will develop a mutually acceptable schedule between the Department and State or local agencies prior to conducting such surveys or reviews, which may include but are not limited to:
>
> (a) *Pre-installation readiness.* A pre-installation survey including an onsite evaluation of the physical site and the agency's readiness to productively use the proposed ADP services, equipment or system when installed and operational.
>
> (b) *Post-installation.* A review conducted after installation of ADP equipment or systems to assure that the objectives for which FFP was approved are being accomplished.
>
> (c) *Utilization.* A continuing review of ADP facilities to determine whether or not the ADP equipment or services are being efficiently utilized in support of approved programs or projects.
>
> (d) *Acquisitions not subject to prior approval.* Reviews will be conducted on an audit basis to assure that system and equipment acquisitions costing less than $200,000 or acquisitions exempted from prior approval were made in accordance with Part 92 and the conditions of this subpart and to determine the efficiency, economy and effectiveness of the equipment or service.

(e) *State Agency Maintenance of Service Agreements.* The State agency will maintain a copy of each service agreement in its files for Federal review.

(f) *ADP System Security Requirements and Review Process* —(1) *ADP System Security Requirement* . State agencies are responsible for the security of all ADP projects under development, and operational systems involved in the administration of HHS programs. State agencies shall determine the appropriate ADP security requirements based on recognized industry standards or standards governing security of Federal ADP systems and information processing.

(2) *ADP Security Program.* State ADP Security requirements shall include the following components:

(i) Determination and implementation of appropriate security requirements as specified in paragraph (f)(1) of this section.

(ii) Establishment of a security plan and, as appropriate, policies and procedures to address the following area of ADP security:

(A) Physical security of ADP resources;

(B) Equipment security to protect equipment from theft and unauthorized use;

(C) Software and data security;

(D) Telecommunications security;

(E) Personnel security;

(F) Contingency plans to meet critical processing needs in the event of short or long-term interruption of service;

(G) Emergency preparedness; and,

(H) Designation of an Agency ADP Security Manager.

(iii) Periodic risk analyses. State agencies must establish and maintain a program for conducting periodic risk analyses to ensure that appropriate, cost effective safeguards are incorporated into new and existing systems. State agencies must perform risk analyses whenever significant system changes occur.

(3) *ADP System Security Reviews* . State agencies shall review the ADP system security of installations involved in the administration of HHS programs on a biennial basis. At a minimum, the reviews shall include an evaluation of physical and data security operating procedures, and personnel practices.

(4) Costs incurred in complying with provisions of paragraphs (f)(1)–(3) of this section are considered regular administrative costs which are funded at the regular match rate.

(5) The security requirements of this section apply to all ADP systems used by State and local governments to administer programs covered under 45 CFR part 95, subpart F.

(6) The State agency shall maintain reports of their biennial ADP system security reviews, together with pertinent supporting documentation, for HHS on-site review.

The Office of Financial Management's *State Administrative and Accounting Manual* (SAAM), states in part:
Section 20.10.20 Authority for these policies:

The Budget and Accounting Act is found in Chapter 43.88 RCW. Section 43.88.160 (4) requires that the director of the Office of Financial Management (OFM), as an agent of the governor:

"Develop and maintain a system of internal controls and internal audits comprising methods and procedures to be adopted by each agency that will safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies for accounting and financial controls. The system developed by the director shall include criteria for determining the scope and comprehensiveness of internal controls required by the classes of agencies, depending on the level of resources at risk. Each agency head or authorized designee shall be assigned the

> responsibility and authority for establishing and maintaining internal audits following the standards of internal auditing of the Institute of Internal Auditors . . . ."

Section 20.15.40.e Monitoring, states in part:

> An agency's internal control is most effective when there is a proper monitoring control environment, results are prioritized and communicated, and weaknesses are corrected and followed up on as necessary.

2013-029 The Health Care Authority improperly claimed $73,788.62 in federal reimbursement for unallowable services provided to undocumented aliens and services that were not rendered to deceased Medicaid clients.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed or Unallowed
Questioned Cost Amount:	$73,788.62

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 $7.7 billion during fiscal year 2013, more than $4.1 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.

Under the Alien Emergency Medical program, any visit or service not meeting the criteria of emergency situations is considered unallowable. This includes, but is not limited to:

- Physical, occupational, speech therapy, or audiology services.
- Hospital clinic services.
- Office or clinic-based services rendered by a physician, an ARNP, or any other licensed practitioner.
- Laboratory, radiology, and any other diagnostic testing.
- Home health services.

The state can elect to pay for non-emergency services for nonqualified aliens. The federal government will not share the cost of those services.

Federal regulations state that an overpayment is the amount that a Medicaid agency paid to a provider in excess of the amount allowable for furnished services. Because services cannot be provided after a beneficiary's death, no medical services are allowable after a beneficiary's death. Accordingly, payments for services claimed to have been provided after a Medicaid beneficiary's death are overpayments.

The Health Care Authority (Authority), Washington State's Medicaid agency, receives quarterly death data from the Department of Health. The Authority uses the data to identify a deceased Medicaid client and terminates Medicaid eligibility from Medicaid eligibility file. The Authority also runs an algorithm that identifies Medicaid services paid after a client's date of death and processes a recoupment of the payments made after the client's date of death.

Description of Condition

During our audit, we noted the Authority claimed the following unallowable or unsupported expenditures for federal reimbursement:

Medicaid payments for unallowable services

We found 1,163 non-emergency services provided to 115 nonqualified aliens. The table below summarizes the results of our work:

Description	Number of claims	Payments	Federal Share[1]	State Share
Non-emergency services provided to nonqualified aliens.	1,163	$78,739.82	$39,369.91	$39,369.91

Medicaid payments for unsupported services

We found 236 services provided after a client's death. The table below summarizes the results of our work:

Description	Number of claims	Payments	Federal Share[1]	State Share
Services provided after date of death	236	$68,837.42	$34,418.71	$34,418.71

Cause of Condition

The Authority performs reviews to detect 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.

Effect of Condition and Questioned Costs

When the state provides services to ineligible individuals, or the services are unallowable and/or unsupported, the service cannot be claimed for federal reimbursement. The Authority paid $147,577.24 to providers for services for unallowable activities. We are questioning $73,788.62, 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.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

Recommendation

We recommend the Authority:

- Strengthen internal control procedures to ensure that Medicaid services provided to nonqualified aliens are restricted to emergency services.
- Strengthen internal control 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.

Agency's Response

The Authority concurs that it made improper reimbursement for Medicaid clients where later research and analysis showed the clients were deceased. The Authority also concurs that it made payments on behalf of non-qualified aliens for non-emergency related services and that improved internal controls are necessary.

The Authority will review all cases and consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Auditor's Concluding Remarks

We thank the Authority for its cooperation and assistance throughout the audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 300, states in part:

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 510, states in part:

(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, 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 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 beneficiaries 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.

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.

WAC 182-500-0030, Medical assistance definitions--E, 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.

WAC 182-507-0115, Alien emergency medical program (AEM), states:
(1) A person nineteen years of age or older who is not pregnant and meets the eligibility criteria under WAC 182-507-0110 is eligible for the alien emergency medical program's scope of covered services described in this section if the person meets (a) and (b) or (c) of this subsection:
  (a) The medicaid agency determines that the primary condition requiring treatment meets the definition of an emergency medical condition as defined in WAC 182-500-0030, 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 agency's inpatient mental health designee (see subsection (5) of this section).
(2) If a person meets the criteria in subsection (1) of this section, the agency will cover and pay for all related medically necessary health care services and professional services provided:
  (a) By physicians in their 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 agency or its designee as described in subsection (3) of this section.

(3) The agency 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 182-550-2590 for LTAC and WAC 182-550-2561 for PM&R).

(4) The agency 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 agency or its designee under this program. Exception: Pharmacy services, drugs, devices, and drug-related supplies listed in WAC 182-530-2000, 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 agency's inpatient mental health designee according to the requirements in WAC 182-550-2600.

(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 182-501-0060. 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 agency 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;
(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 nondurable medical supplies;
(xv) Nonemergency medical transportation;
(xvi) Interpreter services; and
(xvii) Pharmacy services, except as described in subsection (4) of this section.

(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 agency for visits or services that do not meet the qualifying criteria described in this section. The agency will identify and recover payment for claims paid in error.

2013-030 The Health Care Authority did not have adequate controls in place to ensure violations of Medicaid laws and regulations by providers are identified, investigated and referred to the Medicaid Fraud Control Unit, 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:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
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 $7.68 billion during fiscal year 2013. More than $4.5 billion of this amount relates to activities of the Health Care Authority, which paid more than $4.3 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 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 (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). The Authority is required to forward any credible allegations to MFCU and report information regarding its preliminary investigations to the Department of Health and Human Services annually.

Cases requiring a preliminary investigation come from various sources. Staff within the Authority may identify cases based on data mining, submitted claims, or communication with clients. In addition, OPI regularly verifies receipt of services paid with Medicaid clients, and maintains both a fraud line and email address to allow clients and citizens to report any suspected fraud and abuse. Other Authority staff and employees of other State agencies may also identify cases in the course of their daily work, which is also forwarded to OPI. Cases referred to OPI are documented and tracked in staff work plans or the Authority's Case Tracking system for those cases requiring additional review. SURS is responsible for performing a preliminary investigation and referring any cases 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.

In our prior audit we reported a finding regarding the Authority's inadequate controls to ensure cases involving violations of Medicaid laws and regulations were identified and referred to MFCU in a timely manner.

On July 1, 2012, the beginning of the fiscal year 2013, SURS had a total of 103 cases open in the Case Tracking system. During fiscal year 2013, the Authority received an additional 394 cases and closed 262 cases. The remaining 235 cases remained open at the end of the fiscal year and required additional review.

We performed an analysis of open cases and found the following:

Total Time in System	Open/Pending Cases	Percentage of Open/Pending Cases
0-30 days	15	6.38%
31-60 days	17	7.23%
61-90 days	10	4.26%
91-120 days	12	5.11%
121-150 days	9	3.83%
151-180 days	22	9.36%
181-365 days	47	20.00%
More than 365 days	103	43.83%
Total	235	100%

The results of this analysis showed that 64% of cases received by the Authority remained in the system beyond 180 days, and 44 percent of cases remained opened beyond 365 days. These findings showed that the Authority does not have internal controls over the process of investigation of possible cases of fraud and is not performing procedures to ensure cases involving alleged violations of Medicaid laws and regulations are identified, investigated and referred to MFCU, if necessary, in a timely manner.

We randomly selected 34 cases out of 394 cases opened during fiscal year 2013 to determine if cases were prioritized (based on the Authority's own policies), appropriately investigated and recorded. We found 37 percent of the cases we reviewed were investigated in a timely manner and had all information pertaining to the investigation. However, 63 percent of cases were not appropriately investigated and/or all relevant and required information pertaining to the case were properly recorded.

The table below summarizes the results of our work:

Description	Number of Cases	Percentage
No exceptions identified	16	37.20%
Missing Information related to the case was not recorded (source, receipt date, etc.)	3	6.98%
Case investigated, but no notes, documents or investigative records could be located	3	6.98%
No Date of Closure Recorded	2	4.65%
Case closed without a disposition	2	4.65%
Cases opened in error	3	6.98%
Cases completed, but not closed	3	6.98%
Cases never investigated or started	11	25.58%
Total	43*	100.00%

*Most cases reviewed had multiple deficiencies

The results of our testing revealed that control weaknesses we identified in our previous audits still existed.

Finally, we found the Authority did not report the number of fraud and abuse complaints that warranted a preliminary investigation to the Department of Health and Human Services. This lack of reporting was also reported in our prior audit.

Cause of the Condition

The Authority did not have any written policies or procedures pertaining to performance of investigations, recording results of investigations, or setting of priorities. This has resulted in each individual investigator setting priorities based on their own individual judgment and a lack of consistency in recording key information pertaining to investigations.

In addition, the Authority did not have adequate monitoring procedures designed to provide oversight of work performed by investigators and ensure cases are reviewed in a timely manner.

The Authority also stated that it had limited resources and staff assigned to review cases and perform investigations.

During our testing we noted the Authority has begun the process of correcting the conditions noted. In fiscal year 2014, the Authority created several positions dedicated to creating policies and procedures for the SURS unit and to provide oversight over the process.

Effect of Condition

By not performing timely investigations, referrals to MFCU may be delayed and Medicaid fraud may go undetected, resulting in a loss of public resources.

The lack of documentation may result in unnecessary work and/or providers not being held responsible for violations of the law.

Recommendation

We recommend the Authority:

- Establish policies and procedures requiring timely and consistent preliminary investigation of all cases of suspected provider fraud.
- Establish policies and procedures requiring consistent and complete recording of all information related to investigations and the resulting conclusions.
- Implement a process for oversight and review of investigative work to ensure all established policies are consistently followed.
- Complete a timely review of all suspected cases of provider fraud to determine if sufficient evidence exists to warrant a full investigation.
- Comply with federal reporting requirements by reporting the number of fraud and abuse complaints to the Department of Health and Human Services.

Agency's Response

The Health Care Authority (HCA) does not concur with this finding.

The agency maintains that adequate controls are in place to ensure that violations of Medicaid laws and regulations are identified and referred to the Medicaid Fraud Control Unit (MFCU) in a timely manner. Referrals received by the Office of Program Integrity (OPI) are initially scrutinized for materiality, severity, and credibility before they are entered into the Case Tracking application; those deemed most substantive are worked immediately. In addition to high priority cases, OPI staff has historically entered non-fraud-related client complaints into the Case Tracking tool, as well as Medical Service Verification (MSV) cases, even though they reflect cases of historically low risk and low value. The number and age of cases tracked are therefore not accurate measures of how the Office of Program Integrity manages referrals or processes allegations of fraud and it is wrong to conclude that HCA does not have control of its caseload and does not refer all appropriate cases to the Medicaid Fraud Control Unit in a timely manner. Processes are in place to prioritize the work of SURS investigators, ensuring that HCA is addressing those cases with the highest potential for fraud, waste and abuse and properly utilizing our resources to focus on cases that yield the highest return on investment.

While disagreeing with the finding, the Authority concurs with several recommendations in the audit. The Office of Program Integrity is currently writing and revising its policies and procedures; increasing supervisory oversight and control of staff activities and documentation; and analyzing the feasibility of enhancement or replacement of its current case tracking system. These operational initiatives will provide additional focus and strengthen OPI's internal processes.

Auditor's Concluding Remarks

We thank the Authority for its response.

We appreciate and acknowledge that the Authority is making many changes to provide oversight and processes in this area. Unfortunately, HCA's current records and tracking system does not support the Authority's assertion of maintaining adequate controls and performing investigations in a timely manner. We acknowledge that this lack of supporting evidence may be due to the system used by the Authority to record, track, and monitor cases, however without adequate support, we are unable to ensure these assertions are accurate.

We reaffirm our finding and 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.
>
> (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 455.1 Basic and scope, states:

> 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 beneficiaries.
>
> (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.

Title 42, Code of Federal Regulations, Section 455.13 Methods for identification, investigation, and referral, states:

> 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.

Title 42, Code of Federal Regulations, Section 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, Section 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 §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 beneficiary 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 beneficiary has abused the Medicaid program, the agency must conduct a full investigation of the abuse.

Title 42, Code of Federal Regulations, Section 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 beneficiary. This resolution may include but is not limited to—
  (1) Sending a warning letter to the provider or beneficiary, 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.

Title 42, Code of Federal Regulations, Section 455.17 Reporting requirements, states:

The agency must report the following fraud or abuse information to the appropriate Department officials at intervals prescribed in instructions.
(a) The number of complaints of fraud and abuse made to the agency that warrant preliminary investigation.
(b) For each case of suspected provider fraud and abuse that warrants a full investigation—
  (1) The provider's name and number;
  (2) The source of the complaint;
  (3) The type of provider;
  (4) The nature of the complaint;
  (5) The approximate range of dollars involved; and
  (6) The legal and administrative disposition of the case, including actions taken by law enforcement officials to whom the case has been referred.

Title 42, Code of Federal Regulations, Section 455.21 Cooperation with State Medicaid fraud control units, states:

In a State with a Medicaid fraud control unit established and certified under subpart C of this part,
(a) The agency must—
  (1) Refer all cases of suspected provider fraud to the unit;
  (2) If the unit determines that it may be useful in carrying out the unit's responsibilities, promptly comply with a request from the unit for—

(i) Access to, and free copies of, any records or information kept by the agency or its contractors;

(ii) Computerized data stored by the agency or its contractors. These data must be supplied without charge and in the form requested by the unit; and

(iii) Access to any information kept by providers to which the agency is authorized access by section 1902(a)(27) of the Act and § 431.107 of this subchapter. In using this information, the unit must protect the privacy rights of beneficiaries; and

(3) On referral from the unit, initiate any available administrative or judicial action to recover improper payments to a provider.

(b) The agency need not comply with specific requirements under this subpart that are the same as the responsibilities placed on the unit under subpart D of this part.

2013-031 The Health Care Authority did not have adequate controls in place to ensure services billed by providers were rendered to Medicaid beneficiaries, 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	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Utilization Control and Program Integrity	
Questioned Cost Amount:	None	

Background:

Federal regulations require state Medicaid agencies to have processes in place to verify with Medicaid clients whether they actually received services billed by providers. This process is intended to improve program integrity and identify potential fraud and abuse in the Medicaid program.

The Health Care Authority (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 (MSV) 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 the Authority to follow up for surveys in which clients indicate they did not receive the service and/or paid for the service listed and conduct a preliminary investigation, if necessary, to determine if it has sufficient basis to warrant a full investigation.

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 state Medicaid program spent approximately $7.7 billion in fiscal year 2013, of which more than $4.1 billion were paid with federal dollars.

Description of Condition:

In our prior audits, we reported concerns regarding the Authority's procedures for sending out verifications and its lack of follow-up on medical service verifications. During fiscal year 2011, the authority reduced the number of surveys being sent out from 34,662 to 8,401 to enable the Authority to perform more timely and complete follow-ups on returned surveys. During fiscal year 2012, the Authority stated it would modify the computer program to

exclude confidential services from inclusion in the verification process. The Authority also stated it would refine the format of the survey forms to ensure clarity.

In fiscal year 2013, the Authority sent out 5,898 verifications, of which 2,061(35 percent) were returned. Of the verifications returned, 91 contained responses indicating services may not have been provided and/or that the client may have paid for the services. These responses are identified as "negative responses".

We began testing negative responses by identifying all verifications that were not reviewed on the basis of being written in a foreign language. Lack of follow-up on verifications written in foreign languages had been identified as a concern during our previous audits. The Authority had responded to our concern by noting it would not be able to take corrective action to rectify this concern as it did not have the resources to use translators for the verification process. We found that during fiscal year 2013, 10 of the 91 (11 percent) negative responses were not investigated for this reason.

Of the remaining 81 negative responses, we performed detailed testing of 23 randomly selected verifications. The table below summarizes the results of our testing.

MSV Conclusions	Adequate follow-ups performed	Investigation Pending	Claims should not have been included in the survey	Survey forms were not clear	Lack of adequate follow-up	No record of case resolution or results of preliminary investigation
Number of MSVs *	2	2	6	8	10	4
Total	8.70%	8.70%	26.09%	34.78%	43.48%	17.39%

*Nine surveys tested applied to multiple categories.

Our testing found only 2 of the verifications we selected had been reviewed adequately. The remaining 21 cases showed the following:

- Six of 23 surveys were sent for claims that should not have been included in the MSV process. These claims included confidential services, erroneous information on the survey form, and those where Medicaid did not cover any amount of the service.
- Eight of the 23 surveys tested were misinterpreted by the clients as the surveys did not provide all pertinent information. These surveys were addressed to head of household, but the services listed were related to another beneficiary in the survey household. The head of household then responded that services had not been received since the survey form did not specify the beneficiary of the services listed.
- Four surveys were stamped by the Authority as having been received during 2010, but not entered into the system and assigned for follow-up until fiscal year 2013. Once these cases were entered, they were deemed too old to investigate and immediately closed. Authority personnel stated that due to the agency's caseload and the lack of resources, these responses had been set aside and not entered into the system. In addition, 3 additional surveys had been received by the agency six months prior to being input into the system and assigned to an investigator. Once assigned to an investigator, all seven of these cases were deemed too old to work on and immediately closed.
- Four surveys reviewed lacked documentation of investigative work and/or the final disposition of the case.
- Two of the sample surveys were received in August 2012 lacked follow-up and remained in pending status at the time of our audit.

Cause of the Condition

Authority management considers the medical service verification process to have limited value. This has resulted in a lack of oversight to ensure that survey forms are adequately designed, sent on appropriate claims, and adequately investigated.

In addition, the division managing the MSV process did not have written policies over the survey form review processes and did not perform any oversight or review of the work performed. As a result each individual investigator used different interpretations of requirements for investigation and recording results of work performed.

During the audit period the Authority has begun the process of correcting the conditions noted.

Effect of Condition

When a survey form is improperly designed, responses from beneficiaries could be inaccurate causing unnecessary follow-ups and use of limited resources that could be used on more credible cases.

Sending surveys to those with confidential claims puts the privacy of certain clients at risk and is not in compliance with federal laws.

The lack of adequate follow-up on returned surveys and inadequate oversight of the work performed increase the risk that Medicaid fraud may go undetected and take away Medicaid resources that would otherwise be directed to the truly needy citizens of Washington.

Recommendation

We recommend the Authority:

- Implement adequate policies and procedures to ensure verification are sent out, received, recorded, and followed-up on in a consistent manner in accordance with federal regulations.
- Strengthen its oversight to ensure survey forms are properly designed.
- Improve its process to ensure only relevant claims are included for medical service verification.
- Strengthen oversight of MSV survey review processes to ensure a thorough follow-up is performed on all negative responses.

Agency's Response

The Health Care Authority (HCA) does not concur with this finding and asserts that adequate controls are in place to ensure Medicaid services billed by providers were rendered to Medicaid clients.

The agency maintains that it is in compliance with 42 CFR 455.20 that states "the agency must have a method for verifying with beneficiaries whether services billed by providers were received." The Authority does have such a method in place, although planned improvements to that process were not completed during SFY 2013. Although fraud might be detected by issuing random verification forms, experience has proven that limited staff resources are better utilized when the targets for oversight are strategically selected. Using informed allegations, as well as sophisticated analytical tools (behavior modeling, algorithms, comparisons and trends, spike reports, etc.) the Office of Program Integrity has identified millions in overpayments. By contrast, the Medicaid Services Verification (MSV) process has proven to have no value in detecting fraud and the Agency maintains that resources spent on MSV processing actually reduces our ability to focus on program integrity activities that increase controls.

While disagreeing with the Finding, the Authority concurs with several recommendations in the Audit. The change request that refines the service selection process and includes the beneficiary on the form has been approved and is scheduled for implementation in July 2014. In addition, the Office of Program Integrity is currently writing and revising policies and procedures, and increasing supervisory oversight and control of staff activities and documentation. Together, these actions will eliminate the causes of the audit conditions.

Auditor's Concluding Remarks

We thank the Authority for its cooperation and assistance throughout the audit.

The MSV process is very unique as it is one of the processes where the Authority has direct contact with clients to verify paid services. When fraudulent activity occurs, it is typically not a single, large payment that covers all the activities, but numerous small payments that may add up to a large amount. The identification of one fraudulent payment will most likely lead to uncovering many additional fraudulent payments, which highlights the importance of the MSV process.

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

42 CFR 433.116, FFP for operation of mechanized claims processing and information retrieval systems, states in part:

> FFP for operation of mechanized claims processing and information retrieval systems.
>
> (a) Subject to paragraph (j) of this section, 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 (i) 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.)

42 CFR 455.1, Basic and scope, states:

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 beneficiaries.

(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.

42 CFR 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.

42 CFR 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 §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 beneficiary 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 beneficiary has abused the Medicaid program, the agency must conduct a full investigation of the abuse.

42 CFR 455.20, Beneficiary verification procedure, states:

(a) The agency must have a method for verifying with beneficiaries 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).

2013-032 The Health Care Authority does not have adequate internal controls to ensure Medicaid drug rebate amounts are accurately reported in CMS 64 report.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Reporting
Questioned Cost Amount:	None

Background

The Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program (CMS-64 report) is a quarterly statement of actual program costs and administrative expenditures for which States are entitled to Federal reimbursement under the authority of Title XIX of the Act (Medicaid). The CMS-64 presents Medicaid expenditures for the quarter being reported and previous fiscal years, as well as collections or refunds received.

States are required to submit the CMS-64 quarterly to the Centers for Medicare & Medicaid Services (CMS) no later than 30 days after the end of the quarter being reported. These submissions provide CMS with the information necessary to issue the quarterly grant awards, monitor current year expenditure levels, compute the Federal financial participation (FFP) for the State's Medicaid Program costs and determine the allowability of State claims for reimbursement.

The Medicaid Drug Rebate Program was established in legislation enacted by Congress in the Omnibus Budget Reconciliation Act of 1990, effective January 1, 1991. The Affordable Care Act (ACA) added Medicaid managed care drug claims to the mandatory Medicaid drug rebate program, following the longstanding rebate provision in fee-for-service (FFS) Medicaid.

In Washington, the Health Care Authority (Authority) is responsible for administering the Drug Rebate Program. The Medicaid program requires states to present a complete, accurate, and full disclosure of all pending drug rebates and collections and to track collections of interest and report these amounts to CMS. States are also required to offset their federal drawdown by the federal share of drug rebates collected.

Medicaid drug rebate activities are reported on CMS-64.9R, "Medicaid Drug Rebate Schedule." The Authority prepares the report using information from Agency Financial Reporting System (AFRS) and ProviderOne, the State's Medicaid Management Information system.

During fiscal year 2013, the state collected drug rebates from manufacturers totaling more than $156 million.

Description of Condition

The Authority did not have adequate procedures to report correct drug rebate balances in the Medicaid Drug Rebate Schedule (CMS64.9R). We reviewed the Medicaid Drug Rebate Schedule and found the Authority did not report drug rebate balances correctly.

The table below summarizes the results of our work:

Period	Total drug rebates reported	Total drug rebates that should have been reported	Drug rebates over (under) reported	
			Amount	Percent of drug rebates over (under) reported
Quarter ending on September 30, 2012	$123,597,690	$78,441,267	$45,156,423	37%
Quarter ending on December 31, 2012	$138,625,996	$87,450,333	$51,175,663	37%
Quarter ending on March 31, 2013	$110,014,858	$73,400,906	$36,613,952	33%
Quarter ending on June 30, 2013	$110,014,858	$119,692,913	$(9,678,055)	(9%)

Cause of Condition

The Authority did not closely monitor reporting procedures to ensure it reports the correct drug rebate activities on the Drug Rebate Schedule. The Authority stated there was a process change and a formatting and formula error was made. The Authority also stated that this formula error had been subsequently corrected.

Effect of Condition

The grantor, the Centers for Medicare & Medicaid Services (CMS), cannot properly monitor the drug rebate program due to the inaccurate information reported on the Medicaid Drug Rebate Schedule.

Recommendation

We recommend the Authority:

- Implement adequate controls to ensure all Medicaid drug rebate activities are accurately reported on the Medicaid Drug Rebate Schedule.
- Work with CMS to fix all past reports to reflect the correct drug rebate balances.

Agency's Response

The Authority agrees with this finding.

Reporting procedures and processes have been reviewed and updated to include adequate controls to prevent inaccurate reporting in the future. The Medicaid Drug Rebate Schedule was completed and reported correctly for the 12/31/2013 quarter.

All previous Medicaid Drug Rebate Schedules have been reviewed and corrected. The Authority is currently working with CMS to report these corrections on the CMS-64.

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

42 CFR 430.30, Grants procedures, states in part:

> (c) Expenditure reports.
>
> (1) The State must submit Form CMS–64 (QuarterlyMedicaid Statement of Expenditures for the Medical Assistance Program) to the central office (with a copy to the regional office) not later than 30 days after the end of each quarter.
>
> (2) This report is the State's accounting of actual recorded expenditures. The disposition of Federal funds may not be reported on the basis of estimates.

OMB No. 0938-0067- Supporting Statement for Form CMS-64 Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, states in part:

> CMS-64.9R: The form CMS-64.9R has been created to report the aging of pending Drug Rebate collections for Total Computable. This is authorized under Section1927(c)(1) of the Act.

2013-033 The Department of Social and Health Services, Aging and Disability Services Administration, did not respond to nursing home complaints in a timely manner, which could leave Medicaid clients residing in nursing homes vulnerable to serious injury or harm.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Provider Health and Safety Standards	
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. Medicaid permits states to furnish long-term care services to Medicaid beneficiaries requiring daily nursing services. Medicaid coverage of Nursing Facility Services is available only for services provided in a nursing home licensed and certified by the state survey agency as a Medicaid Nursing Facility. The state survey agency is also responsible for the investigation of complaints/allegations of abuse, neglect, or misappropriation.

Residential Care Services (RCS), under the Department of Social and Health Services, Aging and Disability Services Administration, is the state survey agency for the state of Washington. Residential Care Services has oversight of the Complaint Resolution Unit (CRU), which is the front line response system for addressing complaints from staff, residents, family members, or the general public.

Nursing home complaints can be submitted to the Complaint Resolution Unit (CRU) by mail, fax, or calling the toll free recorded complaint hotline. The Department uses the FAMLINK case management system to input, prioritize, and track complaints received on the hotline.

The program specialist performs the initial intake and priority assessment of each complaint and clinical triage nurses confirm the prioritization. Complaints that have caused, or are likely to cause, serious injury, harm, impairment, or death to a resident are prioritized as Immediate Jeopardy and are given a higher priority. Complaints can also be prioritized as Non-Immediate Jeopardy-high, Non-Immediate Jeopardy-medium, Non-Immediate Jeopardy-low, or as a Quality Review (QR). A complaint is considered a QR if it is a facility report with no threat to the resident or if appropriate steps have already been taken to safeguard the resident. By classifying the complaint as QR it makes the information accessible to the field but does not require a separate investigation.

Prioritization of complaints is made to ensure the response corresponds to the severity of the allegation. All complaints received are required to be prioritized and referred to the RCS field unit within two working days of receipt of the complaint.

Field Staff then conduct the investigation and follow up within the assigned time frame determined by the severity of the issue. The table below shows the different prioritizations and the anticipated response timeframe:

Prioritization	Anticipated Response
Immediate Jeopardy	Initiate onsite survey within 2 working days of receipt
Non Immediate Jeopardy -High	Initiate onsite survey within 10 working days of prioritization
Non Immediate Jeopardy - Medium	Initiate onsite survey within 20 working days of prioritization
Non Immediate Jeopardy - Low	Initiate onsite survey within 45 working days of prioritization

Prioritization of the complaint, by the Complaint Resolution Unit (CRU), is one of the most important steps of the entire process and sets the expected timeline and tone of response for the remainder of the Unit's complaint response. When complaints are not prioritized timely, the vulnerable residents in nursing homes are at risk for serious injury, harm, impairment or death.

Description of Condition

In fiscal year 2013 the Complaint Resolution Unit received 11,278 complaints. Of these complaints 7,503 were Quality Reviews and the remaining 3,775 were assigned a priority and sent to the RCS field unit to be investigated.

The summary table below shows the number of complaints received and how they were prioritized:

Prioritization	Number of cases
Immediate Jeopardy	183
Non Immediate Jeopardy-High	2,098
Non Immediate Jeopardy-Medium	1,434
Non Immediate Jeopardy-Low	60
Total Cases referred for investigation	3,775
Quality review (QR)	7,503
Total complaints received in fiscal year 2013	11,278

During our testing we found that Residential Care Services does not have adequate controls in place to ensure complaints are responded to in a timely manner. We requested the information for all complaints the Department received requiring an investigation. We then performed tests to determine if the Department responded to nursing home complaints in a timely manner. We identified the following exceptions:

Timeliness of responses to complaint reports

RCW 74.34.063 requires the Department to initiate a response to a complaint report no later than twenty-four hours after receiving a report. Of the 3775 complaints, 202 (5.35 percent) cases exceeded the 24 hour requirement for response.

Timeliness of onsite survey-Immediate Jeopardy

Center for Medicare and Medicaid Services, State Operations Manual, 5070 requires the Department to initiate an onsite survey for immediate jeopardy cases within two working days of receipt. We found that 22 (12 percent) immediate jeopardy cases were not investigated within two working days of receipt.

Timeliness of prioritization and referrals to the RCS field unit

All complaints received are required to be prioritized and referred to the RCS field unit within two working days of receipt of the complaint. The prioritization process sets the expected timeline and tone of the onsite survey. The subsequent referral to the RCS field unit triggers the onsite survey. We found that 1,657 (46 percent) cases were not prioritized or referred to the RCS field unit within two working days of receipt of the complaint.

Timeliness of onsite survey-Non Immediate Jeopardy

Once a complaint is referred to the RCS field unit, surveyors conduct investigations of the complaint within the assigned time frame. During our testing we found 29 (0.81 percent) non immediate jeopardy cases were not surveyed in a timely manner.

The table below summarizes the results of our testing:

Prioritization	Total number of cases	Timeliness Exceptions			
		Responses to complaint reports	Prioritization and referrals to the RCS field unit	Complaint reports to onsite survey-Non Immediate Jeopardy	Complaint reports to onsite survey-Immediate Jeopardy
Immediate Jeopardy	183	7		22	
Non Immediate Jeopardy-High	2,098	113	795		22
Non Immediate Jeopardy-Medium	1,434	79	821		6
Non Immediate Jeopardy-Low	60	3	41		1
Total	3,775	202	1,657	22	29

Cause of Condition

Residential Care Services began utilizing the FAMLINK system for complaint intake and tracking in August 2012. The transition to the FAMLINK system, which included training staff and learning the system, had a larger impact than initially anticipated. The Department stated that data entry into the FAMLINK system took four to five times longer than expected. The Department did not have adequate staffing or procedures in place to absorb the increase in time for intake entry.

Effect of the Condition

When complaints are not investigated timely, vulnerable residents in Nursing homes are at risk for serious injury, harm, impairment or death.

Recommendation

We recommend the Department strengthen internal controls to ensure nursing home complaints are responded to in a timely manner.

Agency's Response

The Department agrees with this finding. We wholeheartedly agree with the need to meet the deadlines of both federal and state requirements for the prioritization of complaints and the initiation of onsite surveys.

In recognition of these issues, and in advance of these findings, the Department took the following actions:

- *The Department temporarily assigned 18 additional staff (field unit managers) to focus on reducing the standing backlog of pending intakes. This was an intensive effort that reduced the backlog by approximately 66% in one week.*

- *The Complaint Response Unit (CRU) utilized LEAN principles to identify workflow issues that contributed to the inability of the unit to process the intakes within the required timeframes.*

- *CRU then implemented workflow changes and additional internal controls to improve timely completion of intakes including:*

    - *All intake workers participated in significant training to improve the quality of their initial and final work product. This relieved a workflow chokepoint by allowing the supervisors to target their quality review and support activities. It also greatly reduced rework of intakes.*
    - *Changing from a general queue of pending intakes to assignment of intakes to individual workers. Each worker is held accountable for timely completion of their assigned intakes and their queue is reviewed twice a day by a supervisor.*
    - *Better utilization of the triage nurses by changing their role from quality review of each intake to that of targeted technical assistance available to workers and supervisors. Targeted technical assistance focused on more complex and difficult complaints. This is possible because of the additional training to the workers and the realignment of supervisors' duties.*

The upstream backlog at CRU and resulting delay in referrals to the field caused the delays in timely onsite surveys by the field investigative units. Now that DSHS has resolved the backlog and improved the workflow, the onsite surveys are being conducted in a timely manner.

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.

42 U.S. Code § 1396r(g)(4) Survey and Certification Process, states:

(4) Investigation of complaints and monitoring nursing facility compliance --

Each state shall maintain procedures and adequate staff to

(A) Investigate complaints of violations of requirements by nursing facilities.

(B) monitor, on site, on a regular basis, a nursing facility's compliance with the requirements of subsections (b), (c), and (d) if -

(i) the facility has been found not to be in compliance with such requirements and is in the process of correcting deficiencies to achieve such compliance;

(ii) the facility was previously found not to be in compliance with such requirements, has corrected deficiencies to achieve such compliance, and verification of continued compliance is indicated; or

(iii) the State has reason to question the compliance of the facility with such requirements.

> A State may maintain and utilize a specialized team (including an attorney, an auditor, and appropriate health care professionals) for the purpose of identifying, surveying, gathering, and preserving evidence, and carrying out appropriate enforcement actions against substandard nursing facilities.

Center for Medicare and Medicaid Services, State Operations Manual, Chapter 5-Complaint Procedures,
5070 - Priority Assignment for Nursing Homes, Deemed and Non-Deemed Providers/Suppliers, and EMTALA states in part:

> An assessment of each intake must be made by an individual who is professionally qualified to evaluate the nature of the problem based upon his/her knowledge and/or experience of current clinical standards of practice and Federal requirements. In situations where a determination is made that immediate jeopardy may be present and ongoing, the SA is required to investigate within two working days of receipt of the information. For all non-immediate jeopardy situations, the complaint/incident is prioritized within two working days of its receipt, unless there are extenuating circumstances that impede the collection of relevant information.

Title 42, code of Federal Regulations, Section 488.335 Action on complaints of resident neglect and abuse, and misappropriation of resident property, states in part:

> (a) Investigation.
> (1) The State must review all allegations of resident neglect and abuse, and misappropriation of resident property and follow procedures specified in § 488.332.
> (2) If there is reason to believe, either through oral or written evidence that an individual used by a facility to provide services to residents could have abused or neglected a resident or misappropriated a resident's property, the State must investigate the allegation.
> (3) The State must have written procedures for the timely review and investigation of allegations of resident abuse and neglect, and misappropriation of resident property.

RCW 74.34.063 Response to report – Timing – Reports to law enforcement agencies -- Notification to licensing authority, states in part:

> (1) - Response to reports - Timing: "The department shall initiate a response to a report, no later than twenty-four hours after knowledge of the report, of suspected abandonment, abuse, financial exploitation, neglect, or self-neglect of a vulnerable adult

The Residential Care Services (RCS) Operational Principles and Procedures for Licensed Long-Term Care Residential Facilities Complaint/Incident Resolution states in part:

> "any Statement of Deficiencies or consultations must be written within ten (10) working days of the last day of data collection, according to principles of documentation and enforcement principles (see pertinent MBs), and only after consultation with the Field Managers."

The Triage Nurse Operations Manual version 1.5 (08/27/2013), Completing the Intake--- CRU Process and Timeline states in part:

> "the CRU goal is to process intakes as quickly as needed and no longer than 2 days from receipt of the complaint. The exception may be when a complaint is not urgent in nature and the complainant cannot be contacted before 2 days have passed. Depending on the nature of the complaint/incident, the intake might be held a few days longer to allow an intake Staff to contact the complainant."

The Triage Nurse Operations Manual version 1.5 (08/27/2013), RCS Complaint Response Time states in part:

> For complaints prioritized as a 10WD (working day) complaint "Complaint and incident investigations shall be initiated within 10 working days of linking the intake to the RCS Field Unit." For complaints prioritized as 20WD (working day) "Complaint and incident investigations shall be initiated within 20

working days of linking the intake to the RCS Field Unit.". For 45WD (working day) - "Complaint and incident investigations shall be initiated within 45 working days of linking the intake to the RCS Field Unit".

2013-034 The Department of Social and Health Services, Aging and Disability Services Administration, did not adequately monitor supported living service providers to ensure all staff with contact to Developmentally Disabled clients have a proper background check and are authorized to have access to vulnerable supported living clients.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Provider Eligibility	
Questioned Cost Amount:	None	

Background

The Department of Social and Health Services (DSHS), Developmental Disabilities Administration (DDA), administers the Home and Community Based Services program for people with developmental disabilities. Supported living is a core service this program offers through staff of contracted supported living providers. The instruction and support staff for these providers assist clients in a variety of daily activities, such as maintaining the home, preparing meals, and shopping to help the client learn, improve, and retain the social and adaptive skills necessary to live in the community and avoid institutionalization. DDA clients receiving supported living services reside in private residents within the community.

DDA contracts with private agencies to provide supported living services. As of June 2013, there were 125 contracted providers serving more than 3,700 clients. All supported living service providers and their employees who are employed directly or by contract and have unsupervised access to supported living clients must successfully complete a background check through DSHS' Background Check Central Unit (BCCU). A state background check is required, at minimum, every three years. If the individual resided outside of Washington State within the past three consecutive years, they must also be screened through a national fingerprint-based background check.

The Secretary of DSHS establishes crimes that automatically disqualify individuals from serving vulnerable clients through a list referred to as "the Secretary's List." Individuals with crimes on the Secretary's List are automatically prohibited from "*licensing, contracting, certification, or from having unsupervised access to children or to individuals with a developmental disability.*" If an individual has a criminal record(s) that does not automatically disqualify the individual, the provider must perform a Character, Competency, and Suitability Review to determine if the individual can have unsupervised access to clients.

During fiscal year 2013, DDA paid more than $303 million to supported living services providers for the care of more than 3,700 clients.

The State Auditor's Office issued a performance audit report dated July 31, 2013 entitled "Improving payment systems and monitoring necessary to prevent errors and improve safety." In this report we noted concerns regarding a number of caregivers who had been hired despite disqualifying background checks.

Description of Condition

We randomly selected 197 supported living clients and reviewed 2,134 caregivers to determine if all staff passed proper background checks necessary to have unsupervised access to the supported living clients. For the caregivers reviewed, we performed tests to ensure the following requirements were met:

- A proper BCCU background check had been performed within the last three years.
- No crimes were listed on the Secretary's List.
- Staff with criminal records that were not listed on the Secretary's passed a character competence and suitability (CCS) review.

The table below showed the results of our testing:

Description of Condition	Number of caregivers
Individuals working with disqualified background results	52
Individuals with no background check completed (1)	2
Individuals with expired background checks	7
Individuals serving the client without a background check during the audit month tested (2)	19

(1) The two individuals provided services to clients in January 2013 and March and April of 2013. Both individuals began the process of obtaining the required background check, but had not completed all required steps at the time of this report.

(2) Background checks were obtained subsequent to our audit testing month for 19 individuals:

Length of time after audit testing month until background check performed	Number of caregivers
0-3 months	6
4-6 months	1
7 -11 months	11
1 year or more	1

Disqualified individuals were permitted to work with clients if they passed a character competence, and suitability (CCS) review. During the audit we found 52 caregivers with disqualifying backgrounds working with clients. We reviewed a sample of CCS reviews, however none of these documents indicated the reason the individual was found suitable to work with vulnerable clients or indicated the review was performed verbally.

Cause of Condition

DSHS's residential care service inspectors perform on-site review of background check results for selected employees of providers. However, the Department's monitoring of providers is limited and infrequent due to the lack of resources.

Effects of Condition

Allowing individuals who do not meet the background check requirements access to vulnerable Medicaid clients could potentially expose the vulnerable Medicaid clients in the supported living program to neglect, harm, and abuse.

In addition, any caregiver who does not meet the background check requirements is not eligible to provide services to Medicaid clients.

Recommendation

We recommend the Department:

- Strengthen monitoring of supported living providers to ensure they perform adequate background checks of all staff who are employed directly or by contract.
- Strengthen monitoring of supported living providers to ensure an individual who fails a background check does not have access to vulnerable Medicaid clients.
- Follow up on the background check results and terminate disqualifying employees' access to clients immediately.

Department's Response

The Department disagrees with the background check citations reported in this audit.

Part of the audit timeframe includes a period (July 2012 through December 2012) when the Department was implementing corrective measures from the FY12 Single Audit. Starting July 2012, the new Department residential services contract was issued with revised policies to include additional background check standards for the SL service providers. As part of the prior corrective action plan and to ensure we kept providers current on Department changes we met with providers across the state between July and December 2013 to inform them of the policy changes and provide training to them regarding the updated background check requirements.

The Department continues to provide this training and information to the SL providers on an ongoing basis. DDA resource managers are also available to the SL agencies to provide consultations, if there are questions regarding background checks.

The Residential Care Services Division is responsible for reviewing background check standards as part of the certification evaluation. Agencies are cited and required to complete a corrective action plan, if there is a finding of non-compliance with the background check rules.

Enterprise Risk Management Office (ERMO) annually reviews twelve SL agencies for compliance with the background check standards. Issues identified by ERMO are sent to DDA. DDA staff ensures all corrective actions are completed by the SL agency.

Response to each of the findings cited in the preliminary report from the SAO is outlined below:

1. *Fifty two individuals working with disqualified background results.*

   The Department reviewed and followed up with the providers on each of these individuals. Providers were able to show non-disqualifying results for forty-nine of those instances. the Department sent this information to the SAO in which 49 of the 52 instances were inaccurate. The three instances where individuals with disqualifying crimes may have worked with clients were immediately remedied. The

SL agency was required to demonstrate that these individuals will have no access to department clients.

2. *Two individuals with no background check completed.*

   SAO gave the Department a list of five individuals with missing background checks. The Department submitted all five cleared background check results to the SAO. The SAO was unable to find these records due to minor differences in how the name was spelled or individuals whose last name changed due to marriage or divorce or other similar situations.

3. *Seven individuals with expired background checks.*

   The Department did not have an opportunity to review and follow up with the SL agency to verify this finding. The Department will ensure that the SL agency have processes in place to complete the renewals in a timely manner.

4. *Nineteen individuals serving the client without a background check during the audit month tested.*

   The Department verified that the agency had current cleared background checks. DDA worked with current information to ensure providers are in compliance with the department's established background check requirements.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit.

We appreciate the extensive corrective measures taken by DDA to train providers across the State. Our results reflect the status of care providers during the audit period. Federal regulations require our office to perform a Single Audit of Medicaid on an annual basis and to follow-up on prior year audit findings. We acknowledge that this timing may not always allow agencies to completely implement required corrective action. In addition, correction of deficiencies and oversights in background check requirements after the audit period does not change the status of individual's eligibility during the period under audit.

We reaffirm our finding and will evaluate 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.
>
> (c) Comply with laws, regulations, and the provisions of contract or grant agreements related to each of its federal programs.

OMB Circular A-87, 2 CFR § 225: Cost Principles for State, Local and Indian Tribal Governments; Attachment A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines [see also 2 CFR 200.403] 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.

RCW 74.15.030, Powers and duties of secretary, states:

The secretary shall have the power and it shall be the secretary's duty:

(1) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to designate categories of facilities for which separate or different requirements shall be developed as may be appropriate whether because of variations in the ages, sex and other characteristics of persons served, variations in the purposes and services offered or size or structure of the agencies to be licensed hereunder, or because of any other factor relevant thereto;

(2) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to adopt and publish minimum requirements for licensing applicable to each of the various categories of agencies to be licensed.

The minimum requirements shall be limited to:

(a) The size and suitability of a facility and the plan of operation for carrying out the purpose for which an applicant seeks a license;

(b) Obtaining background information and any out-of-state equivalent, to determine whether the applicant or service provider is disqualified and to determine the character, competence, and suitability of an agency, the agency's employees, volunteers, and other persons associated with an agency;

(c) Conducting background checks for those who will or may have unsupervised access to children, expectant mothers, or individuals with a developmental disability;

(d) Obtaining child protective services information or records maintained in the department case management information system. No unfounded allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a child-placing agency, private adoption agency, or any other provider licensed under this chapter;

(e) Submitting a fingerprint-based background check through the Washington state patrol under chapter 10.97 RCW and through the federal bureau of investigation for:

(i) Agencies and their staff, volunteers, students, and interns when the agency is seeking license or relicense;

(ii) Foster care and adoption placements; and

(iii) Any adult living in a home where a child may be placed;

(f) If any adult living in the home has not resided in the state of Washington for the preceding five years, the department shall review any child abuse and neglect registries maintained by any state where the adult has resided over the preceding five years;

(g) The cost of fingerprint background check fees will be paid as required in RCW 43.43.837;

(h) National and state background information must be used solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children or expectant mothers;

(i) The number of qualified persons required to render the type of care and treatment for which an agency seeks a license;

(j) The safety, cleanliness, and general adequacy of the premises to provide for the comfort, care and well-being of children, expectant mothers or developmentally disabled persons;

(k) The provision of necessary care, including food, clothing, supervision and discipline; physical, mental and social well-being; and educational, recreational and spiritual opportunities for those served;

(l) The financial ability of an agency to comply with minimum requirements established pursuant to chapter 74.15 RCW and RCW 74.13.031; and

(m) The maintenance of records pertaining to the admission, progress, health and discharge of persons served;

(3) To investigate any person, including relatives by blood or marriage except for parents, for character, suitability, and competence in the care and treatment of children, expectant mothers, and developmentally disabled persons prior to authorizing that person to care for children, expectant mothers, and developmentally disabled persons. However, if a child is placed with a relative under RCW 13.34.065 or 13.34.130, and if such relative appears otherwise suitable and competent to provide care and treatment the criminal history background check required by this section need not be completed before placement, but shall be completed as soon as possible after placement;

(4) On reports of alleged child abuse and neglect, to investigate agencies in accordance with chapter 26.44 RCW, including child day-care centers and family day-care homes, to determine whether the alleged abuse or neglect has occurred, and whether child protective services or referral to a law enforcement agency is appropriate;

(5) To issue, revoke, or deny licenses to agencies pursuant to chapter 74.15 RCW and RCW 74.13.031. Licenses shall specify the category of care which an agency is authorized to render and the ages, sex and number of persons to be served;

(6) To prescribe the procedures and the form and contents of reports necessary for the administration of chapter 74.15 RCW and RCW 74.13.031 and to require regular reports from each licensee;

(7) To inspect agencies periodically to determine whether or not there is compliance with chapter 74.15 RCW and RCW 74.13.031 and the requirements adopted hereunder;

(8) To review requirements adopted hereunder at least every two years and to adopt appropriate changes after consultation with affected groups for child day-care requirements and with the children's services advisory committee for requirements for other agencies; and

(9) To consult with public and private agencies in order to help them improve their methods and facilities for the care of children, expectant mothers and developmentally disabled persons.

RCW 74.39A.056 Criminal history checks on long-term care workers, states:

(1) (a) All long-term care workers shall be screened through state and federal background checks in a uniform and timely manner to verify that they do not have a criminal history that would disqualify them from working with vulnerable persons. The department must perform criminal background checks for individual providers and prospective individual providers and make the information available as provided by law.

(b) (i) Except as provided in (b)(ii) of this subsection, for long-term care workers hired after January 7, 2012, the background checks required under this section 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. The department shall not pass on the cost of these criminal background checks to the workers or their employers.

(ii) This subsection does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.

(c) The department shall share state and federal background check results with the department of health in accordance with RCW 18.88B.080.

(2) No provider, or its staff, or long-term care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority or a court of law or entered into a state registry with a final substantiated finding of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

(3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights,

and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.

(4) The department shall adopt rules to implement this section.

RCW 43.43.830, Background checks-Access to children or vulnerable persons-definitions, states in part:

(13)"Unsupervised" means not in the presence of:

(a) Another employee or volunteer from the same business or organization as the applicant; or

(b) Any relative or guardian of any of the children or developmentally disabled persons or vulnerable adults to which the applicant has access during the course of his or her employment or involvement with the business or organization.

With regard to peer counselors, "unsupervised" does not include incidental contact with children under age sixteen at the location at which the peer counseling is taking place. "Incidental contact" means minor or casual contact with a child in an area accessible to and within visual or auditory range of others. It could include passing a child while walking down a hallway but would not include being alone with a child for any period of time in a closed room or office.

(14)"Vulnerable adult" means "vulnerable adult" as defined in chapter 74.34 RCW, except that for the purposes of requesting and receiving background checks pursuant to RCW 43.43.832, it shall also include adults of any age who lack the functional, mental, or physical ability to care for themselves.

WAC 388-06-0110 “Who must have background checks?”, states:

(1) Per RCW 74.15.030, the department requires background checks on all providers who may have unsupervised access to children or individuals with a developmental disability. This includes licensed, certified or contracted providers, their current or prospective employees and prospective adoptive parents as defined in RCW 26.33.020.

(2) [(b)] As described in WAC 388-06-0115, the division of developmental disabilities requires background checks on all contracted providers, individual providers, employees of contracted providers, and any other individual who is qualified by DDD to have unsupervised access to individuals with developmental disabilities.

(3) Long-term care workers as defined in chapter 74.39A RCW hired after January 7, 2012 are subject to national fingerprint-based background checks. For individual providers and home care agency providers refer to WAC 388-71-0500 through 388-71-05909. For adult family homes refer to chapter 388-76 WAC, adult family home minimum licensing requirements. For assisted living facilities refer to chapter 388-78A WAC, assisted living licensing rules.

(4) Per RCW 74.15.030, the department also requires background checks on other individuals who may have unsupervised access to children or to individuals with a developmental disability in department licensed or contracted homes, or facilities which provide care. The department requires background checks on the following people:

(a) A volunteer or intern with regular or unsupervised access to children;

(b) Any person who regularly has unsupervised access to a child or an individual with a developmental disability;

(c) A relative other than a parent who may be caring for a child;

(d) A person who is at least sixteen years old, is residing in a foster home, relatives home, or child care home and is not a foster child.

WAC 388.06.0115, What are the division of developmental disabilities background check requirements, states:

(1) Per RCW 74.39A.056, long-term care workers undergoing a background check for initial hire or initial contract will be screened through a state name and date of birth check and a national fingerprint-based background check; except that long-term care workers in community residential service businesses are

subject to background checks as described in WAC 388-06-0115 (a) and (b). Parents are not exempt from the long-term care background check requirements.

(a) Prior to January 1, 2016 community residential service businesses as defined above will be screened as follows:
  (i) Individuals who have continuously resided in Washington state for the past three consecutive years will be screened through a state name and date of birth background check.
  (ii) Individuals who have lived outside of Washington state within the past three years consecutive will be screened through a state name and date of birth and a national fingerprint-based background check.
(b) Beginning January 1, 2016 community residential service businesses as defined above will be screened as described in WAC 388-06-0115(1).

(2) The division of developmental disabilities requires rechecks for all DDD contracted providers and their employees at least every three years or more frequently if required by program rule. Rechecks will be conducted as follows:
  (a) Individuals who have continuously resided in Washington state for the past three consecutive years will be screened through a state name and date of birth background check.
  (b) Individuals who have lived outside of Washington state within the past three consecutive years will be screened through a state name and date of birth check and a national fingerprint-based background check.

WAC 388-06-0140 "What happens if I don't comply with the background check requirement?", states:

The department will deny, suspend or revoke your license, contract, certification, or authorization to care for children or for individuals with a developmental disability, if you or someone on the premises of your home or facility having unsupervised access does not comply with the department's requirement for a background check.

(1) Individuals are eligible for the one hundred twenty-day provisional hire immediately, except as provided under subsection (2) of this section and WAC 388-06-0540. The signed background check application and fingerprinting process must be completed as required by the applicable DSHS program.
(2) Long-term care workers as defined in chapter 74.39A RCW are eligible for the one hundred twenty-day provisional hire, pending the outcome of the fingerprint-based background check, as long as provisional hiring is allowed by the applicable DSHS program rules and the long-term care worker is not disqualified as a result of the initial name and date of birth background check.

WAC 388-101-3245, Background check-general, states:

(1) Background checks conducted by the department and required in this chapter include but are not limited to Washington state background checks including:
  (a) Department and department of health findings; and
  (b) Criminal background check information from the Washington state patrol and Washington state courts.
(2) Nothing in this chapter should be interpreted as requiring the employment of a person against the better judgment of the service provider.

WAC 388-101-3250, Background checks-Washington state, states:

(1) Service providers must follow the background check requirements described in chapter 388-06 WAC and in this chapter. In the event of an inconsistency, this chapter applies.
(2) The service provider must obtain background checks from the department for all administrators, employees, volunteers, students, and subcontractors who may have unsupervised access to clients.
(3) The service provider must not allow the following persons to have unsupervised access to clients until the service provider receives the department's background check results, verifying that the person does not have any convictions, pending criminal charges, or findings described in WAC 388-101-3090:

(a) Administrators;
(b) Employees;
(c) Volunteers or students; and
(d) Subcontractors.

(4) If the background check results show that the individual has a conviction, pending criminal charge, or finding that is not disqualifying under WAC 388-101-3090, then the service provider must conduct a character, suitability, and competence review as described in WAC 388-06-0190.

(5) The service provider must:
(a) Inform the person of the results of the background check;
(b) Inform the person that they may request a copy in writing of the results of the background check. If requested, a copy of the background check results must be provided within ten working days of the request;
(c) Notify the department and other appropriate licensing or certification agency of any person resigning or terminated as a result of having a conviction record.

(6) The service provider must renew the Washington state background check at least every thirty-six months and keep current background check results for each administrator, employee, volunteer, student, or subcontractor of a service provider.

(7) Licensed boarding homes or adult family homes must adhere to the current regulations in this chapter and in the applicable licensing laws.

(8) Service providers must prevent unsupervised access to clients by any administrator, employee, subcontractor, student, or volunteer who has a disqualifying conviction, pending criminal charge, or finding described in WAC 388-101-3090.

(9) All applicants for certification must have a background check.

2013-035 The Department of Social and Health Services, Developmental Disabilities Administration made overpayments to providers totaling $236,892.73.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster 93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative 93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare 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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles
Questioned Cost Amount:	$118,446.36

Background

Medicaid is the largest source of funding for medical and health related services for people with low income in the United States. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program, and in the state of Washington the Health Care Authority is the single state agency to administer the state's Medicaid program.

The Department of Social and Health Services, Developmental Disabilities Administration (DDA), administers the Home and Community Based Services program for people with developmental disabilities. Staff assist clients in activities of daily living to help the clients with the social and adaptive skills necessary to live in the community and avoid institutionalization.

The Department pays the supported living provider a daily rate for each day of service provided to a client. The total daily rate paid for each client is individualized and adjusted as frequently as necessary, based on changes to the client's support needs and changes to the administrative component of the rate. These rates are entered for payment in the Social Service Payment System (SSPS). The DDA relies on edits in SSPS to prevent paying a provider more than what has been authorized in the system.

The DDA's Case Managers use the Client Authorization Services Input System (CASIS) to authorize payment for supported living services. Based on the rates and number of days that are authorized the system generates a service invoice each month and sends the invoice to the provider for validation. The providers are then responsible for either confirming that the authorized amount is correct or submitting necessary corrections or changes. SSPS relies solely on provider's attestation for services provided during the month to make payments.

Description of Condition

During our audit we found the Department does not have adequate controls in place to prevent multiple authorizations and potential overpayments.

Daily rates for each client are individualized and adjusted as frequently as necessary, based on changes to the client's support needs and changes to the administrative component of the rate. When a client's daily rate changes, a new authorization is entered in the system to ensure the correct amount is paid. If the previous authorization is not removed from the system, the provider will receive invoices for both authorizations. If the provider attests to both, the system will issue a payment for both authorizations. We also found that if a client changes providers, an additional authorization is created for the new provider, again resulting in multiple payments.

Cause of Condition

The Department relied on provider attestations and did not monitor authorization processes thoroughly to ensure it did not pay providers for the same services more than once.

Effect of Condition and Questioned Costs

We reviewed 478 provider payments totaling $920,734.58. The payments we reviewed were for providers that received three or more monthly payments for a particular client. We identified a total of $236,892.73 in overpayments to providers. We are questioning $118,446.36, which is the federal portion of the unallowable costs.

Recommendation

We recommend the Department:

- Monitor authorization processes thoroughly to ensure the same services are not paid more than once.
- Recoup $236,892.73 in overbilled amounts from the providers.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Department disagrees with this finding.

The Department has a cost settlement reconciliation process that corrects and adjusts supported living payments. The state auditor's review is done by state fiscal year, July 1 through June 30th, while our cost settlement for supported living is conducted annually on a calendar year. This in effect overstated any overpayment; half the year audited had yet to be reconciled by the department. Had the reconciliation for calendar year 2013 occurred within the audit cycle we would have corrected most, if not all, of the overpayments identified.

The way the information is presented leads the reader to believe the Department has an overpayment rate in excess of 25%. This is inaccurate. The error rate is correctly .078%, or less than one percent of the total dollars spent on supported living services. The auditor pulled data on $303,521,862 and selected from that a group of high risk payments totaling $920,734. The $236,892 identified as overpayments should be compared with the total of $303,521,862 rather than a subset of high risk payments. All overpayments identified in the audit have been forwarded to OFR for collection, consistent with DDA practices. .

The Department is confident its settlement process identifies nearly all overpayments; however, we are not satisfied until the overpayments are immaterial. To meet this end the Department's Developmental Disabilities Administration added a staff to the reconciliation process this February and plans to add additional staff before June for cost report reconciliation as a quality assurance measure.

Auditor's Concluding Remarks

We thank the Department for its response. We chose payments for this testing based on the higher likelihood of being an overpayment. The exceptions we identified were the payments the Department made for the same services that had already been paid. We reaffirm 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.

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:*

2. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:
   - f. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
   - g. Be allocable to Federal awards under the provisions of 2 CFR part 225.
   - h. Be authorized or not prohibited under State or local laws or regulations.
   - i. 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 consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
   - k. 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.
   - l. Except as otherwise provided for in 2 CFR part 225, be determined in accordance with generally accepted accounting principles.
   - m. 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.
   - n. Be the net of all applicable credits.
   - o. Be adequately documented.

OMB Circular A-133 Compliance Supplement, *Part 4 (June 2012)- 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 beneficiaries whose coverage is required or allowed under this part.

(b) FFP is available in expenditures for services provided to beneficiaries who were eligible for Medicaid in the month in which the medical care or services were provided except that, for beneficiaries who establish eligibility for Medicaid by deducting incurred medical expenses from income, FFP is not available for expenses that are the beneficiary'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.

2013-036 The Department of Social and Health Services, Developmental Disabilities Administration did not have adequate controls to ensure Medicaid payments to supported living service providers are allowable and supported, resulting in unallowable payments of $133,128.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles
Questioned Cost Amount:	$66,563.92
Likely Questioned Cost Amount:	$14,514,989

Background

Medicaid is the largest source of funding for medical and health related services for people with low income in the United States. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program, and in the state of Washington the Health Care Authority is the single state agency to administer the state's Medicaid program.

The Department of Social and Health Services, Developmental Disabilities Administration (DDA), administers the Home and Community Based Services program for people with developmental disabilities. Supported living is a core service this program offers through staff of contracted supported living providers. The instruction and support staff assist clients in activities of daily living, such as maintaining the home, preparing meals, and shopping to help the client learn, improve, or retain the social and adaptive skills necessary to live in the community and avoid institutionalization.

The Department pays the supported living provider a daily rate for each day of service provided to a client. The amount and type of instruction and support services a client receives are based on the client's assessed needs and may vary from a few hours per month up to 24 hours per day of one-on-one support. The majority of clients receiving supported living services require daily staff support to maintain their health and safety.

The DDA Case Managers use the Client Authorization Services Input System (CASIS) to authorize payment for supported living services. Based on the rates and number of days that are authorized for each client the system automatically generates a monthly service invoice and sends the invoice to the provider for validation. Providers are then responsible for either confirming that the authorized amount is correct or submitting necessary corrections or changes. SSPS relies solely on provider's attestation for services provided during the month to make payments. Providers are required to maintain adequate payroll records including staff time sheets, work schedules, and payroll vouchers to support payment claims.

In a report dated July 31, 2013, "Improving payment systems and monitoring necessary to prevent errors and improve safety", State Auditor's Office Performance Audit reported concerns regarding the Department's lack of controls to ensure that monthly payments are adequately supported.

During fiscal year 2013, DDA paid more than $302 million to supported living services providers for the care of more than 3,733 clients.

Description of Condition

To be allowable, Medicaid payments made on behalf of developmentally disabled clients must be adequately documented. We found the Department did not have adequate internal controls to ensure supported living providers maintain adequate documentation to support payments claimed for each day of service billed.

Cause of Condition

DDA's processes for monitoring providers' payroll records were limited and infrequent.

Effect of Condition and Questioned Costs

We selected a random sample of 197 monthly payments totaling $1,440,204.28 from a total population of 42,958 monthly payments to verify that payments the Department made for each client month were adequately supported.

Of the 197 payments reviewed, we found 71 payments were supported.

For 30 sample payments we selected we could not determine whether monthly payments were supported because documentation from the providers included records pertaining to a large population of clients and household that did not distinguish services provided to any individual household or client.

For the remaining 96 we found:

Population	Sample size	Exceptions			Projected sample error range*	
		Description	Number of exceptions	Unallowable Payments	Low	High
42,958	197	No payroll records provided	3	$27,425.18	$21,629,262	$36,430,694
		Amounts not supported by payroll records	92	$105,151.02		
		Services not provided	1	$551.64		
		Total	96	$133,127.84		

We identified $133,127.84 in payments that were not fully supported with payroll records. We are questioning $66,563.92, which is the federal portion of the unallowable payments.

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.

By projecting the results of our sample testing to the entire population of supported living payments, we estimate the amount of unallowable payments to individuals could range from $21,629,262 to $36,430,694.

Recommendation

We recommend the Department:

- Improve internal controls by strengthening its monitoring of providers' payroll records to ensure payments to providers are legitimate and supported.
- Seek recovery of the funds paid to providers who were unable to adequately support claims.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Department does not concur with the finding.

RCW 71A.12.060 clearly provides the Secretary of the Department of Social and Health Services (DSHS) authority to authorize payments for residents in community residential programs. To date the Secretary has authorized a system that requires payments for all Instruction and Support Services (ISS) hours to be reconciled to the Supported Living Agency (SL Agency) taken as a whole. Through the annual cost report process (described in DDA Policy 6.04), the DSHS Developmental Disabilities Administration (DDA) / Management Services Division (MSD) verifies that the ISS hours reported as provided by a SL Agency match the total hours of service DDA has authorized for all client that the SL Agency serves. If the ISS hours reported in the annual cost report exceed either the total authorized hours for all clients served by the SL Agency, or are not supported by documentation that shows that the reported hours were actually worked, DDA/MSD seeks recovery of any overpayment through the cost report settlement process (see DDA Policy 6.04 (III)). DDA does not require the SL Agencies to provide each client exactly the number of authorized ISS hours over a weekly or monthly period, but DDA does require that, over a year, clients receive all authorized ISS hours. Through this process SL Agencies are audited on a whole SL Agency basis and as a result, any audit that considers only a limited time frame cannot capture the ultimate determination of an SL Agency's actual service delivery, or any corresponding underpayment or overpayment.

SL Agencies are required to complete an annual cost report. The cost report reconciles hours and ISS dollars authorized to hours and ISS dollars provided. A settlement is issued to any SL Agency who fails to meet either standard. The Department relies on provider attestation on the accuracy of the cost report. DSHS' Enterprise Risk Management Office (ERMO) will periodically audit selected providers. Furthermore, as part of the certification evaluation process, DSHS, Aging and Long-term Support Administration, Residential Care Services (RCS) performs a cursory review of hours provided. If concerns are identified in the certification evaluation, MSD/DDA may conduct an audit of the SL Agency. Starting in October 2013, DDA/MSD began conducting audits of selected residential providers. The scope includes agency reconciliation of employee hours provided by households. DDA/MSD will be able to audit 20% of the SL agencies per year.

The approved system allows for more efficient load balancing that saves taxpayer resources (by not requiring staffing for peak demand), and allows better service (by allowing agencies to move resources to where the daily need is). The terms of this policy are further outlined in DSHS DDA Policy 6.04.

The State Auditor's Office (SAO) has implicitly required that an audit of each SL Agency individual provider must reconcile to the ISS hours provided to each individual client. The SAO's proposed system, while easier to audit, would be more costly and would provide inferior service. More importantly, by applying a payment authorization

standard different from what the Secretary has approved by law, the SAO generates an overpayment conclusion because offsetting underpayments generated by SL Agencies. In reaching its overpayment conclusion, the SAO specifically excluded amounts that would otherwise be considered underpayments. Problematically, the SAO's approach would erroneously require Washington State to make payments back to the Federal government without justification.

The SAO audit also states that DDA does not have internal controls to insure SL Agencies maintain adequate documentation to support payments claimed against payroll records. It is accurate to say that historically payment claims are not required by DDA policy to be reconciled to payroll records. However, the standard SL Agency contract issued after July 1, 2013 includes additional standards for cost reporting and maintaining staff payroll records in an auditable form.

Technical concerns

The SAO audit included a number of technical errors. First, the SAO audit reported that 30 sample payments were not reconciled to a client. As explained above, the payments SAO disregarded were, in most cases, underpayments (that is, more ISS hours provided than authorized were delivered to the individual client). The failure to factor in the overprovision of ISS hours into the SAO findings therefore inflates the overpayment amount. Second, the SAO referenced 3 records which were alleged to involve absence of payroll records. Our review found that the SL Agency did not receive the request from the SAO for three of the four samples. As a result, these questioned costs are also not valid. (Note: the SL Agency is willing to send information if it is requested and the SL Agency did submit information from other clients when requested.) Third, for the one sample client where ISS services were not provided, payments were discontinued prior to the sample dates.

Closing Comments

The SAO's scope of audit is counter to DDA's practice of allowing SL Agencies flexibility to manage the support hours. [This is the same flexibility the state provides to itself as it manages State Operated Living Facilities] and it is the strategy best designed to facilitate efficiencies and cost containment for this service delivery system with the greatest quality for clients. Further, technical concerns in the SAO analysis and the failure to off-set underpayments would mistakenly cause Washington State taxpayers to make unjustified payment to the Federal Government.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit.

As part of our audit, we did review the annual cost report process; however we noted the reconciliation does not require any payroll records or documentation supporting the payroll hours claimed by the provider agency. In addition, the report only requires the provider agency to provide the total payroll hours spent by the agency and does not distinguish the type of work the employee has performed. This overall reconciliation process is insufficient to verify whether the provider provided the services for which it was paid.

We contacted all provider agencies by phone in October, 2013 to verify they received the information request and the provider in question stated they had received the correspondence. We also provided regular updates showing the status of records requested to DDA staff and worked closely with DDA to resolve these issues.

We acknowledge the complexity of providing services to DDA clients and the changing needs of each client. However, establishing accountability is not counter to DDA's practice of allowing SL agencies flexibility to manage the support hours. OMB A-87 states that to be allowable under federal awards costs must be adequately documented.

We reaffirm our finding and review this area during our next audit.

Sample Unit

The sampling unit was a monthly payment. A monthly payment consisted of all supported living service payments the Department made to a provider for a specific client on a single month during the period of July 1, 2012 to June 30, 2013.

Estimation Methodology

We used the U.S. Department of Health and Human Services, Office of Inspector General RAT-STATS appraisal program to estimate the amount of unallowable payments the Department made to Supported Living Providers.

***Sampling Results**

The table below shows the value of our universe, sampling frame and questioned costs:

Table 1: Value of universe, sampling frame and questioned costs

Payments In Universe	Value of Universe	Sample Size	Value of Sample	Unallowable Payments	Value of Questioned Costs (federal share)
42,958	$302,601,092	197	$1,440,204.28	$133,127.84	$66,563.92

Projection of Sampling Results

By projecting the results of our statistical sample to the entire Home and Community Based supported living program payments, we estimate the amount of possible unallowable payments to supported living providers could range between the lower limit of our projected results ($21,629,262) and the upper limit ($36,430,694).

Table 2: Projected value of unallowable payments

Precision at the 90-Percent Confidence Level	
	Variables Appraisal
Midpoint	$29,029,978
Lower Limit	$21,629,262
Upper Limit	$36,430,694

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-87, 2 CFR § 225: Cost Principles for State, Local and Indian Tribal Governments; Attachment A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part [See also, 2 CFR §200.403]:

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, Appendix A.
    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.

Revised Code of Washington (RCW) 71A.12.060, Payment authorized for residents in community residential programs, states:

> The secretary is authorized to pay for all or a portion of the costs of care, support, and training of residents of a residential habilitation center who are placed in community residential programs under this section and RCW 71A.12.070 and 71A.12.080.

The Department's *Division of Developmental Disabilities' Community Residential Service Contract, Section 11* states in part:

> The Contractor shall maintain records relating to this Contract and the performance of the services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other materials relevant to this Contract shall be retained for six years after expiration or termination of this Contract.

2013-037 The Department of Social and Health Services, Aging and Long-Term Support Administration, did not adequately monitor adult family home providers to ensure all caregivers and resident managers who are employed directly or by contract have proper background checks.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Provider Eligibility	
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 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 community settings, avoiding institutionalization. These services, generally personal care and assistance, are provided in adult family homes by individuals or agencies often chosen by the Medicaid client.

All providers must meet basic qualifications to provide services to Medicaid clients which include background checks, certifications and training. Adult Family Home owners and their employees must complete a Washington State background check and a national finger print-based background check through DSHS' Background Check Central Unit (BCCU).

The Department Social and Health Services, Aging and Long-Term Support Administration, Residential Care Services is responsible for ensuring that all adult family homes and their providers meet and maintain these eligibility requirements to continue providing services to Medicaid clients. All the homes are required a visit every 18 months with a 15 month statewide average to ensure they maintain the homes as required by state laws. These eligibility requirements are intended to ensure program integrity and identify potential fraud and abuse in the Medicaid program. During fiscal year 2013, the Department paid approximately $107 million to more than 1,000 adult family home providers that rendered services to about 5,500 Medicaid clients.

In a report dated July 31, 2013, "Improving payment systems and monitoring necessary to prevent errors and improve safety", the State Auditor's Office Performance Audit reported concerns regarding a number of caregivers who had been hired despite disqualifying background checks.

Description of Condition

State law requires adult family home providers to perform adequate background checks of all caregivers, representatives, and resident managers who are employed to ensure that employees do not have a criminal history that would disqualify them from working with vulnerable persons.

During our audit we performed testing to determine whether adult family home staff who had access to residents were qualified to provide services to Medicaid clients. We identified 456 staff who provided services for Adult Family Homes in fiscal year 2013 without having proper background checks completed according to the BCCU background database. Of the 456 individuals identified, additional inquiries made with the DSHS confirmed that 253 were not eligible to provide services. We summarized our results in this table below:

Description	Number of Ineligible Providers
No match found in the BCCU database.	175
Incomplete background checks (background checks only done at state level).	72
Incomplete background checks (background checks done at state level showed convictions that are on the Secretary's List).	3
Background check was completed but with convictions that are on the Secretary's List.	3

Cause of the Condition

The Department has procedures in place to ensure adult family home providers meet eligibility requirements throughout their enrollment. However, there is a high rate of turn-over in employment at these providers and when performing on-site inspections, the Department only randomly verifies background check completion for one or two employees.

Effect of Condition

A person who does not meet the background check requirement is not eligible to provide services to Medicaid clients, which could potentially expose vulnerable Medicaid clients residing in adult family homes to neglect, harm, and abuse.

Recommendation

We recommend the Department:

- Strengthen monitoring of adult family home providers to ensure they perform adequate background check of all caregivers, representatives and resident managers who are employed directly or by contract.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.

Department's Response

The Department of Social and Health Services, Aging and Long-Term Support Administration agrees that quality and compliance of adult family home regulations is paramount to ensuring clients are safe and well cared for.

After review of audit findings, the Department has the following response:

When performing on-site inspections, the Department agrees to move from verifying background checks for a sample of employees to checking 100% of employees employed at the adult family home at the time of the on-site inspection.

Checking 100% of employees employed at the time of on-site inspection, however, will not capture employees who worked and subsequently terminated employment in between the average 15-month inspection cycle. Adult family homes have a high employee turnover rate and the Department is not funded to monitor all employees hired in adult family homes across the state. Under RCW 70.128.130(13), the responsibility of determining an adult family home employee's eligibility to have unsupervised access to clients belongs to the adult family home provider. In addition to inspecting 100% of background checks for employees employed at the time of inspection, the Department will also continue to investigate adult family home complaints, including those related to background checks.

Within the auditor's numbers, 266 ineligible providers were identified. Given the short turnaround time, the Department did not have an opportunity to confirm each provider's specific background check situation. There are many reasons why no match is found in the BCCU database, including a name change (e.g. maiden to married) between the time the check was run and the audit was performed or incorrect identifying information, such as an incorrect Social Security Number, was used. When the Department identifies ineligible providers during on-site visits, swift and serious action is taken to ensure clients are safe and providers are compliant. These actions include citation, stop placement, condition, revocation and civil fine, depending on the severity of the finding. All of these findings are available to the public for inspection.

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-87, 2 CFR § 225: 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:
   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, Appendix A.
   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.

RCW 70.128.070, License-Inspections-Correction of violations, states:

(1) A license shall remain valid unless voluntarily surrendered, suspended, or revoked in accordance with this chapter.
(2) (a) Homes applying for a license shall be inspected at the time of licensure.
(b) Homes licensed by the department shall be inspected at least every eighteen months, with an annual average of fifteen months. However, an adult family home may be allowed to continue without inspection for two years if the adult family home had no inspection citations for the past three consecutive inspections and has received no written notice of violations resulting from complaint investigations during that same time period.
(c) The department may make an unannounced inspection of a licensed home at any time to assure that the home and provider are in compliance with this chapter and the rules adopted under this chapter.
(3) If the department finds that the home is not in compliance with this chapter, it shall require the home to correct any violations as provided in this chapter.

RCW 74.39A.056, Criminal history checks on long-term care workers, states:

(1) (a) All long-term care workers shall be screened through state and federal background checks in a uniform and timely manner to verify that they do not have a criminal history that would disqualify them from working with vulnerable persons. The department must perform criminal background checks for individual providers and prospective individual providers and make the information available as provided by law.
(b) (i) Except as provided in (b)(ii) of this subsection, for long-term care workers hired after January 7, 2012, the background checks required under this section 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. The department shall not pass on the cost of these criminal background checks to the workers or their employers.
(ii) This subsection does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.
(c) The department shall share state and federal background check results with the department of health in accordance with RCW 18.88B.080.
(2) No provider, or its staff, or long-term care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority or a court of law or entered into a state registry with a final substantiated finding of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.
(3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.
(4) The department shall adopt rules to implement this section.

WAC 388-76-10005, License-Required, states:

(1) Any person or entity must have a license by the department to operate an adult family home.
(2) No person or entity may provide personal care, special care, and room and board for more than one resident without a license.

WAC 388-76-10015, License-Adult family home-compliance required, states:

(1) The licensed adult family home must comply with all the requirements established in chapters 70.128, 70.129, 74.34 RCW, this chapter and other applicable laws and regulations including chapter 74.39A RCW; and
(2) The provider is ultimately responsible for the day-to-day operation of each licensed home.
(3) The provider must promote the health, safety, and well-being of each resident residing in each licensed adult family home.

WAC 388-76-10161, Background checks -- Who is required to have, states:

(1) An adult family home applicant and anyone affiliated with an applicant must have the following background checks before licensure:
(a) A Washington state name and date of birth background check; and
(b) If applying after January 7, 2012, a national fingerprint background check.
(2) The adult family home must ensure that all caregivers, entity representatives, and resident managers who are employed directly or by contract after January 7, 2012, have the following background checks:
(a) A Washington state name and date of birth background check; and
(b) A national fingerprint background check.
(3) All household members over the age of eleven, volunteers, students, and noncaregiving staff who may have unsupervised access to residents must have a Washington state name and date of birth background check. They are not required to have a national fingerprint background check.

WAC 388-76-10175, Background checks—Employment—Conditional hire—Pending results of Washington state name and date of birth background check, states:

An adult family home may conditionally employ a person directly or by contract, pending the result of a Washington state name and date of birth background check, provided the home:

(1) Submits the Washington state name and date of birth background check no later than one business day after conditional employment;
(2) Requires the individual to sign a disclosure statement and the individual denies having been convicted of a disqualifying crime or a disqualifying finding under WAC 388-76-10180;
(3) Does not allow the individual to have unsupervised access to any resident;
(4) Ensures direct supervision, as defined in WAC 388-76-10000, of the individual; and
(5) Ensures the individual is competent and receives the necessary training to perform assigned tasks and meets the staff training requirements under chapter 388-112 WAC.

WAC 388-76-10176, Background checks—Employment—Provisional hire—Pending results of national fingerprint background check, states:

The adult family home may provisionally employ individuals hired after January 7, 2012 and listed in WAC 388-76-10161(2) for one hundred twenty-days and allow those individuals to have unsupervised access to residents when:

(1) The individual is not disqualified based on the results of the Washington state name and date of birth background check; and
(2) The results of the national fingerprint background check are pending.

WAC 388-76-10180, Background checks—Employment—Disqualifying information, states:

The adult family home must not employ anyone, directly or by contract, who is listed in WAC 38 8-76-10161(2) if the individual has any of the convictions, history, or findings, described below:

(1) Has a history of significant noncompliance with federal or state laws or regulations in the provision of care or services to children or vulnerable adults;
(2) Has been convicted of a crime in any federal or state court, and the department determines that the crime is equivalent to a crime under subsections (3), (4), (5), (6), or (7), below;
(3) Has been convicted of a "crime against children or other persons" as defined in RCW 43.43.830, unless the crime is simple assault, assault in the fourth degree, or prostitution and more than three years have passed since conviction;
(4) Has been convicted of "crimes relating to financial exploitation" as defined in RCW 43.43.830, unless the crime is theft in third degree and more than three years have passed since conviction, or unless the crime is forgery or theft in the second degree and more than five years have passed since conviction;
(5) Has been convicted of the manufacture or delivery of drugs or of possession with intent to manufacture or deliver drugs under one of the following laws:
    (a) Violation of the Imitation Controlled Substance Act (VICSA);
    (b) Violation of the Uniform Controlled Substances Act (VUCSA);
    (c) Violation of the Uniform Legend Drug Act (VULDA); or
    (d) Violation of the Uniform Precursor Drug Act (VUPDA).
(6) Has been convicted of sending or bringing into the state depictions of a minor engaged in sexually explicit conduct;
(7) Has been convicted of criminal mistreatment;
(8) Has been found to have abused, neglected, financially exploited, or abandoned a minor or vulnerable adult by court of law or a disciplining authority, including the department of health. Examples of legal proceedings in which such findings could be made include juvenile court proceedings under chapter 13.34 RCW, domestic relations proceeding under Title 26 RCW, and vulnerable adult protection proceedings under chapter 74.34 RCW;
(9) Has a finding of abuse or neglect of a child that is:
    (a) Listed on the department's background check central unit report; or
    (b) Disclosed by the individual, except for findings made before December, 1998.
(10) Has a finding of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult that is:
    (a) Listed on any registry, including the department's registry;
    (b) Listed on the department's background check central unit report; or
    (c) Disclosed by the individual, except for adult protective services findings made before October, 2003.
(11) Pending the results of the background checks, conditional or provisional hiring may be allowed under WAC 388-76-10175 and 388-76-10176.

WAC 388-76-10181, Background checks—Employment—Nondisqualifying information, states:

(1) If any background check results show that an employee or prospective employee has a conviction or finding that is not automatically disqualifying under WAC 388-76-10180, then the adult family home must:
    (a) Determine whether the person has the character, competence and suitability to work with vulnerable adults in long-term care; and
    (b) Document in writing the basis for making the decision, and make it available to the department upon request.
(2) Nothing in this section should be interpreted as requiring the employment of any person against the better judgment of the adult family home.

2013-038 The Department of Social and Health Services, Developmental Disabilities Administration did not have adequate internal controls to ensure cost of care adjustments paid to supported living service providers are allowable and supported, resulting in unallowable payments of $604,661.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	Medicaid Cluster
	93.720 ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775 State Medicaid Fraud Control Units
	93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles
Questioned Cost Amount:	$ 302,330.61

Background

Medicaid is the largest source of funding for medical and health related services for people with low income in the United States. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program, and in the state of Washington the Health Care Authority is the single state agency to administer the state's Medicaid program.

The Department of Social and Health Services, Developmental Disabilities Administration (DDA), administers the Home and Community Based Services program for people with developmental disabilities. Supported living is a core service this program offers through staff of contracted supported living providers. The instruction and support staff for these providers assist clients in a variety of daily activities, such as maintaining the home, preparing meals, and shopping to help the client learn, improve, and retain the social and adaptive skills necessary to live in the community and avoid institutionalization.

DDA uses an evidence-based assessment instrument called the Supports Intensity Scale (SIS) to evaluate a client's support needs. The results of the SIS are used to calculate the number of daily direct support hours, called Instruction and Support Services (ISS) hours. The assessment predicts ISS hours for a client as if the client lives alone. The vast majority of supported living clients, however, live with other clients and many supports can be shared, like nighttime supervision and unstructured protective supervision. Resource Managers (RM) review the results of each assessment and consider additional factors and all possible economies of scale to ensure providers deliver services to clients in the most time- and cost-efficient manner possible.

A cost of care adjustment (COCA) is a reimbursement intended to cover the necessary costs of non-variable staff support and administration to provide services to clients or costs necessary to maintaining a residence when there is a temporary absence of a client. For example, if a client lives with other clients, a COCA may be applied to increase the roommates' rates to account for the loss of certain economies of scale and other fixed administrative costs.

Providers can submit a "Cost of Care Adjustment Request" form (DSHS 06-124) for a cost of care adjustment. COCAs can only be approved for a maximum of three months. COCAs beyond three months must be approved by exception to the policy by a DDA Regional Administrator.

During fiscal year 2013, DDA paid $5,324,417.63 in COCA payments to 83 providers.

Description of Condition

The Department's internal controls over COCAs were not adequate to ensure all COCAs were reasonable, authorized and supported. During the audit, we found many instances where COCA forms were not approved or could not be found. We also noted that many COCA approvals did not include justification for COCA payments to ensure the payments were for the loss of certain economies of scale and other fixed administrative costs that resulted from a temporary absence of a client.

Cause of Condition

DDA did not follow its own policies and procedures for authorization of COCA payments.

Effect of Condition and Questioned Costs

Approval of cost of care adjustments

We tested all 181 COCA payments totaling $1,138,859.52 , which are related to COCA payments submitted for periods over a maximum of three months to determine if the payments were authorized and supported. We reviewed for the following criteria:

- Absence met the definition of temporary.
- COCA forms were prepared and approved.
- Exception to the Rule (ETR) forms were prepared and approved.

The table below summarizes the results of our work:

Exceptions	Number of COCAs*	Related expenditures*	Unallowable expenditures**
Absence not temporary	18	$366,260.00	$545,220.24
Reason for absence not documented	3	$36,868.67	
No COCA forms	15	$379,746.84	
COCA forms were not approved	15	$243,489.91	
No exception to the rule forms submitted for payments for periods over a maximum of three months	27	$406,458.37	

* COCAs and related expenditure exceptions may be in more than one category.

** Unallowable expenditures are not duplicated.

We identified a total of $545,220.24 in unallowable payments that were made to providers. We are questioning $272,610.12, which is the federal portion[1] of the unallowable costs.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

COCA payments for overlapping dates

We reviewed 90 COCA payments totaling $231,927.43, which had overlapping dates of absence to determine if COCA payments were approved and not paid more than once for the same absence. We identified a total of $59,440.98 the Department paid to providers for overlapping dates. We are questioning $29,720.49, which is the federal portion[1] of the unallowable costs.

In total, we identified a total of $604,661.22 in unallowable payments the Department made to providers. We are questioning $302,330.61, which is the federal portion[1] of the unallowable payments.

Recommendation

We recommend the Department:

- Follow its policies and procedures to ensure COCA payments to providers are legitimate and supported.
- 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.

The Department does not agree with the audit finding stating "COCA forms were could not be found in 15 instances", resulting in $379,746.84 in unallowable expenditures. DDA staff has provided to SAO all Cost of Care Adjustment (COCA) forms that were requested in the sample.

The Department does agree with the rest of the findings. We have already made changes to our process for authorizing COCA. The changes include issuing guidelines for the resource managers to follow and changing the COCA form to require written justification for all COCA requests.

The Department plans to share the information with all residential services providers. Also, we will train the resource managers to the updated process. The guidelines and updated form will bring accountability, compliance and validity to the authorizations.

The Department's actions will reflect the guidelines and the current version of the DDA policies issued July of 2013.

Auditor's Concluding Remarks

We thank the Department for its response. However, documents provided for the 15 instances were not sufficient to ensure the expenditures were allowable.

We reaffirm our finding and 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.
(c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-87, 2 CFR § 225: Cost Principles for State, Local and Indian Tribal Governments; Attachment A - General Principles for Determining Allowable Costs; Section C - Basic Guidelines state in part [See also, 2 CFR §200.403]:

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, Appendix A.
   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.

RCW 71A.12.080, Rules, states:

(1) The secretary shall adopt rules concerning the eligibility of residents of residential habilitation centers for placement in community residential programs under this title; determination of ability of such persons or their estates to pay all or a portion of the cost of care, support, and training; the manner and method of licensing or certification and inspection and approval of such community residential programs for placement under this title; and procedures for the payment of costs of care, maintenance, and training in community residential programs. The rules shall include standards for care, maintenance, and training to be met by such community residential programs.
(2) The secretary shall coordinate state activities and resources relating to placement in community residential programs to help efficiently expend state and local resources and, to the extent designated funds are available, create an effective community residential program.

The DDA Policy 6.02, issued July of 2011, states in part:

Definitions

Cost-of-Care Adjustment means a reimbursement adjustment intended to cover the necessary costs of non-variable staff support and administration to provide services to clients when there is a temporary loss of a client served by the agency.

E. Cost of Care Adjustments (COCA)

1. When there is a potential COCA, the division shall consider with the contractor whether a COCA adjustment or rate reassessment for clients sharing the household is most appropriate.
2. Each COCA authorization may be approved for a maximum of three (3) months. COCAs beyond three (3) months may be approved by exception to policy by the Regional Administrator.
3. The COCA must not exceed the total daily rate of the client who temporarily left the program.
4. For adults receiving SL/GH/GTH services:
   a. The COCA applies to existing or new programs.
   b. The COCA may not exceed the cost of care per client when the program is operating at full capacity.
   c. A COCA may be authorized under the following circumstances:
      i. As part of a resident "phase-in" process when a new program is being developed or an existing program is being expanded; and
      ii. In an existing program when a client shares support hours with other clients and moves out, either permanently or temporarily, and there is no other client available to move in immediately or the client's home must be maintained until the client's return.

The DDA Policy 6.18, issued July of 2011, states in part:

B. Calculation of ISS Hours

The original residential service provider may request a cost of care adjustment up to the amount necessary to continue to support the remaining housemates for ninety (90) days. During that time every effort will be made to fill the vacancy. If it is not filled, then cost containment measures must be made.

The Resource Manager will use the rate assessment to recalculate the ISS hours and all other components of the residential rate within 90 days.

2013-039 The Department of Social and Health Services, Developmental Disabilities Administration, did not consistently pay supported living providers at authorized daily rates.

Federal Awarding Agency:	U.S. Department of Health and Human Services	
Pass-Through Entity:	None	
CFDA Number and Title:	93.720	ARRA-State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Activities Allowed/Unallowed; Allowable Costs/Cost Principles	
Questioned Cost Amount:	$ 695	
Likely Questioned Cost Amount:	$151,488	

Background

The Department of Social and Health Services, Developmental Disabilities Administration, administers the Home and Community Based Services program for people with developmental disabilities. Supported living is a core service this program offers through staff of contracted supported living providers. The instruction and support staff assist clients in activities of daily living, such as maintaining their home, preparing meals, and shopping to help the clients learn, improve, or retain the social and adaptive skills necessary to live in the community and avoid institutionalization.

The Department pays the supported living provider a daily rate for each day of service provided to a client. The total daily rate paid for each client is individualized and adjusted as frequently as necessary, based on changes to the client's support needs and changes to the administrative component of the rate. To ensure the accuracy and proper authorization of each rate, the Department established a rate review and approval process. After each rate goes through the review and approval process, the rate is entered for payment in the Social Service Payment System.

The steps below describe the established rate review and approval process and subsequent transfer of the approved rate to the Social Service Payment System:

1. The rate is first reviewed and approved by the Developmental Disabilities Administration Regional Administrator or designee.
2. The rate is reviewed by the Department's Rates Manager.
3. The rate is reviewed by the Division of Developmental Disabilities' Residential Program Manager.
4. The rate is approved for payment by the Division of Developmental Disabilities Director or designee.
5. The approved rate is manually transferred from the approval document into an Excel rate file spreadsheet, where the administrative component of the rate is adjusted, if necessary.
6. The approved rate is manually transferred from the rate file to the Social Service Payment System.

Description of Condition

In our prior audit we reported a finding regarding the Administration's inadequate controls to ensure daily rates paid to supported living providers for Medicaid clients were accurate and properly authorized. To address our recommendation, the Administration implemented an electronic rate approval process and strengthened its monitoring and review processes of transferring approved daily rates to the Social Service Payment System for the proper computation of authorized monthly payments to service providers.

During our testing we selected a random sample of 197 monthly payments from a total population of 42,958 to verify the Administration had adequate controls and paid supported living providers for services at authorized daily rates. We found the Administration had adequate controls in place to ensure daily rates paid to supported living providers for Medicaid clients are accurate and properly authorized.

However, we found 1.5% percent (3 out of 197) of the payments were paid at rates greater than the authorized rates.

Cause of Condition

The Department made improvements in its monitoring and review processes to ensure that all daily rate changes were accurately transferred into the Social Service Payment System for the proper computation of authorized monthly payments to service providers. However, it is still not preventing or detecting all superseded daily rates.

Effect of Condition and Questioned Costs

During our testing, we discovered three instances where The Department utilized inaccurate daily rates for calculating monthly payments to providers, resulting in $1,389 of unallowable payments. We are questioning $695 of this amount, which is the federal portion[1] of the unallowable payments.

By projecting sample results to the entire Home and Community Based supported living program, we estimate the amount of potential unallowable monthly payments made by the Department to supported living providers could be $302,976. We are questioning $151,488 of this amount, which is the federal portion[1] of the unallowable payments.

Federal regulations require us to report known and projected questioned costs when likely questioned costs are greater than $10,000 for each type of compliance requirement. 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:

- Strengthen its data entry processes to the Social Service Payment System to ensure approved rates are used for payments to the provider.
- Consult with the U.S. Department of Health and Human Services to discuss repayment of questioned costs.

Department's Response

The Department concurs with this finding.

Department's review found that there were two overpayments. The two overpayments were processed and sent to the Office of Financial Recovery (OFR). The third client's record indicated no overpayment; this information was provided to the State Auditor's Office (SAO).

DSHS is in the process of changing the current payment system using the Social Service Payment System (SSPS) to ProviderOne (P1). The new payment system will have edits that will only allow non-duplicated approved rates to be paid. This will alleviate payment errors caused by duplicate authorizations.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

Developmental Disabilities Administration (DDA) and Management Services Division (MSD) are currently using the electronic rate approval process to ensure approved rates are accurately entered into the provider file. Rates will be sent only from the provider file to P1 for payments.

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.

Sample Design

The sample size consisted of 197 monthly payments from a total population of 42,958 monthly payments the Department made during the period of July 1, 2012 to June 30, 2013.

Estimation Methodology

We used the U.S. Department of Health and Human Services, Office of Inspector General RAT-STATS appraisal program to estimate the amount of unallowable payments made to supported living providers.

***Sampling Results:**

The table below shows the value of our universe, sampling frame and questioned costs:

Payments In Universe	Value of Universe	Sample Size	Value of Sample	Unallowable payments	Questioned Costs (federal share)
42,958	$302,601,092	197	$1,440,204	$1,389	$695

Projection of Sampling Results

Projecting our results to the entire Home and Community Based supported living program, we estimate the amount of unallowable payments to supported living providers could range from $1,389 to $793,098.

Precision at the 90-Percent Confidence Level	
	Variable Appraisal
Midpoint	$302,976
Lower Limit	$1,389
Upper Limit	$793,098

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to 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.

OMB Circular A-133 Compliance Supplement, Part 4 (March 2013) - 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) reviewed by the State consistent with the State's documented procedures and system for determining medical necessity of claims; (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 in part:

(a) Except for the limitations and conditions specified in §435.1007 and §435.1008, 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.)

2013-040 The Department of Social and Health Services, Aging and Long-Term Support 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:	Medicaid Cluster 93.720 ARRA- State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative 93.775 State Medicaid Fraud Control Units 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare 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:	5-1305WA5MAP; 5-1305WA5ADM
Applicable Compliance Component:	Provider Eligibility
Questioned Cost Amount:	$ 182,305.02

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 2013, the Department paid approximately $163 million to more than 19,000 in-home service individual providers for their services.

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 state and national fingerprint-based background checks.
A state background check needs to be completed every two years. If the provider has lived in Washington State less than three years, the Department is to conduct a national fingerprint-based background check.

In a report dated July 31, 2013, "Improving payment systems and monitoring necessary to prevent errors and improve safety", the State Auditor's Office Performance Audit reported concerns regarding a number of caregivers who had been hired despite disqualifying background checks.

Description of Condition

During the previous audit, we reported the Department did not ensure providers completed background checks before rendering services to Medicaid clients.

We reviewed all 19,062 providers who provided services in fiscal year 2013 to ensure they have cleared a background check as required by state regulation.

We found:

- 32 providers' background checks were not completed in a timely manner.
- 48 providers who have disqualifying crime records provided in-home services to Medicaid clients.

Cause of Condition

The Department has procedures to ensure individual providers meet the background check requirements; however, in some cases, the Department did not confirm that provider background checks were complete before allowing providers to render 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. The Department also stated that exceptions related to providers who have disqualifying criminal records resulted from some case managers not following Department policies.

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:

Description of Condition	Number of Providers	Questioned Costs	Federal Share	State Share
Background checks were not completed in a timely manner.	32	$155,040.04	$77,520.02	$77,520.02
Providers who had disqualifying crime records provided in-home services to Medicaid clients.	48*	$209,570.00	$104,785.00	$104,785.00
Total	80	$364,610.04	$182,305.02	$182,305.02

*During the audit we identified 48 providers who had disqualifying crime records. The Department terminated 39 providers before verification for background check was requested by our office. Three providers were subsequently terminated after our verification request. The Department is in the process of reviewing the remaining six providers.

The Department paid a total of $364,010.04 to the 80 providers who did not complete a required background check at the time of the services or have disqualifying crime records. We are questioning $182,305.02, which is the federal portion of the unallowable expenditures[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:

- Improve its internal controls to 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.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

Department's Response

The Department concurs with this finding, although the contracts for the majority of disqualified individual providers (39 of 48) were terminated by ALTSA prior to the SAO audit.

Corrective Action Plans were developed and implemented as a result of the FY12 audit, however, the FY13 audit does not capture the results of the corrective actions taken by the Department due to the timeframe of the SAO audit.

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.
>
> (c) Comply with laws, regulations, and the provisions of contracts or grant agreements related to each of its Federal programs.

OMB Circular A-87, 2 CFR § 225: 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:
>
> 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, Appendix A.
>
> 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.

RCW 74.39A.056, Criminal history checks on long-term care workers, states:

> (1) (a) All long-term care workers shall be screened through state and federal background checks in a uniform and timely manner to verify that they do not have a criminal history that would disqualify them from working with vulnerable persons. The department must perform criminal background checks for individual providers and prospective individual providers and make the information available as provided by law.
>
> (b) (i) Except as provided in (b)(ii) of this subsection, for long-term care workers hired after January 7, 2012, the background checks required under this section 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. The department shall not pass on the cost of these criminal background checks to the workers or their employers.

(ii) This subsection does not apply to long-term care workers employed by community residential service businesses until January 1, 2016.

(c) The department shall share state and federal background check results with the department of health in accordance with RCW 18.88B.080.

(2) No provider, or its staff, or long-term care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority or a court of law or entered into a state registry with a final substantiated finding of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

(3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.

(4) The department shall adopt rules to implement this section.

WAC 388.71.0510, “How does a person become an individual provider?”, states:

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) A valid Washington state driver's license or other valid picture identification; and either

(b) A Social Security card; or

(c) Proof of authorization to work in the United States.

(3) Complete the required DSHS form authorizing a background check;

(4) Disclose any disqualifying criminal convictions and pending charges, and also disclose civil adjudication proceedings and negative actions as those terms are defined in WAC 388-71-0512;

(5) Effective January 8, 2012, be screened through Washington state's name and date of birth background check. Preliminary results may require a thumb print for identification purposes.

(6) Effective January 8, 2012, be screened through the Washington state and national fingerprint-based background check, as required by RCW 74.39A.056.

(7) Results of background checks are provided to the department and the employer or potential employer unless otherwise prohibited by law or regulation for the purpose of determining whether the person:

(a) Is disqualified based on a disqualifying criminal conviction, a pending charge for a disqualifying crime, civil adjudication proceeding, or negative action; or

(b) Should or should not be employed as an individual provider based on his or her character, competence, and/or suitability.

(8) Disqualifying crimes, civil adjudication proceedings, and negative actions are listed in WAC 388-71-0540 (4), (5) and (6).

(9) For those providers listed in RCW 43.43.837(1), a second Washington state and national fingerprint-based background check is required if they have lived out of the state of Washington since the first national fingerprint-based background check was completed.

(10) The department may require an individual provider to have a Washington state name and date of birth background check or a Washington state and national fingerprint-based background check, or both, at any time.

(11) Sign a home and community-based service provider contract/agreement to provide personal care services to a person under a medicaid state plan or federal waiver such as COPES or other waiver programs.

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.

2013-041 The Department of Social and Health Services improperly claimed $691,869.10 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	ARRA - State Survey and Certification Ambulatory Surgical Center Healthcare Associated Infection (ASC-HAI) Prevention Initiative
	93.775	State Medicaid Fraud Controls
	93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare
	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:	5-1305WA5MAP; 5-1305WA5ADM	
Applicable Compliance Component:	Activities Allowed or Unallowed	
Questioned Cost Amount:	$ 691,869.10	

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 $7.7 billion during fiscal year 2013, of that more than $4.1 billion 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 medical emergencies 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.

Under the Alien Emergency Medical program, any visit or service not meeting the criteria of emergency situations is considered unallowable. This includes, but is not limited to:

- Physical, occupational, speech therapy, or audiology services.
- Hospital clinic services.
- Office or clinic-based services rendered by a physician, an ARNP, or any other licensed practitioner.
- Laboratory, radiology, and any other diagnostic testing.
- Personal care services.

- Waiver services.
- Nursing facility services.
- Home health services.

The state can choose to pay for non-emergency services for nonqualified aliens. The federal government will not share the cost of these services.

Federal regulations state that an overpayment is the amount that a Medicaid agency paid to a provider in excess of the amount allowable for furnished services. Because services cannot be provided after a beneficiary's death, no medical services are allowable after a beneficiary's death. Accordingly, payments for services claimed to have been provided after a Medicaid beneficiary's death are overpayments.

The Department receives data from the state Department of Health quarterly that it uses to identify deceased Medicaid clients. These clients are to be removed from the program. The Department also runs a data query that identifies Medicaid services paid after a client's date of death. Once identified, the Department starts a process to recoup the payments made after the client's date of death.

Description of Condition

During our audit, we noted the Department claimed the following unallowable or unsupported expenditures for federal reimbursement:

Medicaid payments for unallowable services

We found 489 non-emergency services provided to 34 nonqualified aliens. The table below summarizes the results of our work:

Description	Number of claims	Payments	Federal Share[7]	State Share
Non-emergency services provided to nonqualified aliens.	489	$1,310,967.47	$655,483.74	$655,483.73

Medicaid payments for unsupported services

We found 126 services provided after a client's death. The table below summarizes the results of our work:

Description	Number of claims	Payments	Federal Share[1]	State Share
Services provided after date of death	126	$72,770.72	$36,385.36	$36,385.36

Cause of Condition

The Department performs reviews to detect 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 detecting all unallowable payments.

[1] The federal share is calculated using the state's 2013 FMAP rate of 50 percent.

Effect of Condition and Questioned Costs

When the state provides services to ineligible individuals, or the services are unallowable and/or unsupported, the service cannot be claimed for federal reimbursement. The Department paid $1,383,738.19 to providers for services for unallowable activities. We are questioning $691,869.10, 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 Department:

- Strengthen internal control procedures to ensure that Medicaid services provided to nonqualified aliens are restricted to emergency services.
- Strengthen internal control 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.

Agency's Response

This finding involved three administrations within the Department. Each Administration responded individually.

Aging and Long Term Support Administration (ALTSA)

ALTSA concurs with the findings.

Medicaid payments for unallowable services

The Recipient Aid Code (RAC) for these clients changed in January 2012, but the fiscal office was not notified of this change timely. The account coding in Provider One was updated in October 2013 and all of the questioned costs have been returned to CMS. A RAC changes distribution list has been developed to ensure all parties are notified of changes timely in the future.

Medicaid payments for unsupported services

The Department has now fully implemented monthly reports that identify potentially unsupported payments. Reports are reviewed monthly and remedial actions are taken on any identified invalid payment.

Children's Administration (CA)

CA concurs with the findings.

Of the exceptions, two pertain to CA. Since the findings for FY12 with this population, CA has implemented a new payment type to correct the process that allowed these children to be allocated to a Medicaid funding source.

The federal funds for these clients will be returned and we will communicate the information to the Centers for Medicare and Medicaid Services.

Economic Services Administration (ESA)

ESA concurs with the findings for the four Community Services Division (CSD) cases identified as exceptions. ESA will review these cases and take appropriate action as necessary.

Auditor's Concluding Remarks

We thank the Department for its cooperation and assistance throughout the audit.

Applicable Laws and Regulations

OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* Section 300, states in part:

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 510, states in part:

p. 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, 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

- 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 beneficiaries 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.

q. 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) 182-507-0115, Alien emergency medical program (AEM).

(1) A person nineteen years of age or older who is not pregnant and meets the eligibility criteria under WAC 182-507-0110 is eligible for the alien emergency medical program's scope of covered services described in this section if the person meets (a) and (b) or (c) of this subsection:
  (a) The medicaid agency determines that the primary condition requiring treatment meets the definition of an emergency medical condition as defined in WAC 182-500-0030, 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 agency's inpatient mental health designee (see subsection (5) of this section).
(2) If a person meets the criteria in subsection (1) of this section, the agency will cover and pay for all related medically necessary health care services and professional services provided:
  (a) By physicians in their 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 agency or its designee as described in subsection (3) of this section.
(3) The agency 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 182-550-2590 for LTAC and WAC 182-550-2561 for PM&R).

(4) The agency 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 agency or its designee under this program. Exception: Pharmacy services, drugs, devices, and drug-related supplies listed in WAC 182-530-2000, 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 agency's inpatient mental health designee according to the requirements in WAC 182-550-2600.

(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 182-501-0060. 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 agency 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;

    (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 nondurable medical supplies;
(xv) Nonemergency medical transportation;
(xvi) Interpreter services; and
(xvii) Pharmacy services, except as described in subsection (4) of this section.

(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 agency for visits or services that do not meet the qualifying criteria described in this section. The agency will identify and recover payment for claims paid in error.

2013-042 The Department of Social and Health Services, Aging and Long Term Support Administration, did not ensure that unallowable payroll costs charged to the Money Follows the Person Rebalancing Demonstration were refunded to the federal government in a timely manner.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	93.791 Money Follows the Person Rebalancing Demonstration
Federal Award Number:	1LICMS300141-01-07
Applicable Compliance Component:	Activities Allowed/Unallowed, Allowable Costs/Cost Principles
Questioned Cost Amount:	$106,273.92

Background

The Washington State Department of Social and Health Services, Aging and Long Term Support Administration, administers the Money Follows the Person Rebalancing Demonstration. This federal grant gives the state funding to address the following four key objectives:

- Increase the use of home and community-based, rather than institutional, long-term care services;
- Eliminate barriers or mechanisms that prevent or restrict the flexible use of Medicaid funds to enable Medicaid-eligible individuals to receive support for appropriate and necessary long-term services in the settings of their choice;
- Increase the ability of the State Medicaid program to assure continued provision of home and community based long-term care services to eligible individuals who choose to transition from an institution to a community setting; and
- Ensure that a strategy and procedures are in place to provide quality assurance for eligible individuals receiving Medicaid home and community based long-term care services and to provide for continuous quality improvement in such services.

In fiscal year 2013 the State received approximately $19.5 million in federal funds for the program, approximately 31.5 percent of which were payroll expenses.

Grants may only be used to pay for costs that are allowable and related to the grant's purpose.

Description of Condition

One of the 22 employees who charged 100 percent of their payroll expenditures to the grant during fiscal year 2013 did not actually work on the program. Their wages were incorrectly charged to the grant from December 15, 2011 to March 15, 2013.

Cause of Condition

The Department stated the issue originated as an error in payroll coding when the employee was hired on December 15, 2011. The Department identified the payroll coding error in March 2013. When the Department corrected the payroll coding it did not follow policies and procedures in place to ensure federal funds were refunded as required.

Effect of Condition and Questioned Costs

We identified $106,273.92 in direct payroll and benefits incorrectly charged to the grant that were not refunded to the federal government.

We question costs when we find unallowable costs charged to a federal grant that are not refunded to the federal government in a timely manner.

Recommendation

We recommend that Department follow policies and procedures to ensure that identified unallowable costs be refunded to the federal government in an accurate and timely manner.

The Department should consult with its grantor to determine what, if any, of the questioned costs should be repaid.

Agency's Response

The Department agrees with the finding.

When this IT position was hired, it was coded to the RCL grant in error. The error was caught and payroll coding corrected in March 2013. Due to staff shortage, the payroll expenditures were not corrected until January 2014. All funds have been returned to the federal government, all RCL paid staff have been reviewed for accuracy and a process established to monitor all RCL every six months.

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.
>
> Section 510:
>
> (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 fora type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor shall also report known questioned costs when likely questioned costs are greater than $10,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor shall include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

U.S. Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* (2CFR 225), states in part:

Attachment A: 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 this Circular.
   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 this Circular, 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.

2013-043 The Military Department does not have adequate internal controls to ensure all subrecipients of Homeland Security Grant Program funds receive audits when required and take timely and appropriate corrective action for any audit findings issued.

Federal Awarding Agency:	U.S. Department of Homeland Security
Pass-Through Entity:	None
CFDA Number and Title:	97.067 Homeland Security Grant Program
Federal Award Number:	2008-SG-T8-0023; 2009-SS-T9-0015; 2010-UA-T0-0023; 2010-SS-T0-0084; EMW-2011-UA-00034; EMW-2011-SS-0030; EMW-2012-SS-00115
Applicable Compliance Component:	Subrecipient Monitoring
Questioned Cost Amount:	None

Background

The Washington Military Department administers the Homeland Security Grant Program. The program is intended to improve and significantly enhance the ability of the Nation to prevent, deter, respond to and recover from, threats and incidents of terrorism and to enhance regional preparedness. The Homeland Security Program provides financial assistance to the states (and through the states to local governments) to support activities such as planning, equipment, training, and exercise to address critical resource gaps identified in the assessments and priorities outlined within each state's Homeland Security Strategy.

The majority of the grant funds are distributed to various municipal governments and non-profit organizations. Federal regulations require the Department to take appropriate measures to ensure all subrecipients of funds that expend more than $500,000 in federal funding receive an audit under U.S. Office of Management and Budget (OMB) Circular A-133. In addition, the Military Department is required to identify any findings reported in these audits affecting the Homeland Security Grant and take steps to ensure these findings are addressed by management of the subrecipient agency within six months.

The Department spent $24.1 million in Homeland Security Grant funds in fiscal year 2013, of which $22.9 million was distributed to other governmental entities and non-profit organizations.

The Department adopted new policies related to subrecipient monitoring in July 2013, after the end of the fiscal year audit. Formal procedures are still in the process of being finalized. The Department paid 49 subrecipient entities during fiscal year 2013.

Description of Condition

The Department requires each subrecipient to sign a contract that includes standard terms and conditions, including the requirement for an audit under U.S. Office of Management and Budget (OMB) Circular A-133 if the subrecipient spends more than $500,000 in federal funding during the year. The contract notifies the subrecipient that it must provide the Department's Finance Division with either a copy of their audit report or a letter explaining why it is exempt from having an audit, within nine months of the subrecipient's fiscal year end.

We reported the Department was not following its internal policy and procedures and lacked effective internal controls to ensure all subrecipients received the required audits in the fiscal year 2012 audit. We also reported the Department did not have a consistent method of determining if a finding affected grant funds it awarded, did not consistently follow-up on findings to ensure corrective action was performed by its subrecipients and did not have a process to ensure its subrecipients submitted audit reports or identified why they did not need an audit.

In our current audit we found the Department did not take any action to correct prior reported deficiencies and did not follow-up with any of its 49 subrecipients to determine if an audit report was required.

Cause of Condition

The Department indicated it did not have sufficient time and resources to complete the process of correcting the deficiencies.

Effect of Condition

Without adequate internal controls and procedures, the Department cannot be certain all of its subrecipients complied with federal grant requirements and therefore, cannot ensure that it has met the monitoring requirement of its federal grantor. Furthermore, the Department cannot be certain that its subrecipients respond to and correct deficiencies found in audits in an appropriate and timely manner.

Recommendation

We recommend the Department continue the process of establishing adequate internal controls and policies and procedures over subrecipient monitoring activities to ensure subrecipients comply with required federal and contract provisions. We further recommend the Department communicate these expectations to program staff and establish procedures to ensure expectations are properly met in a timely manner.

Department's Response

We concur with the findings. The department will review internal controls and policies and procedures and develop a corrective action plan to ensure subrecipients comply with required federal and contract provisions. Staff will be trained on new procedures to ensure expectations are properly met.

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*, 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.

(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-133, *Compliance Supplement for 2012*, Part 3 – Compliance Requirements states:

Section M. Subrecipient Monitoring:

Compliance Requirements

A pass-through entity is responsible for: …

- 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.

2013-044 The Military Department did not have internal controls over earmarking requirements to ensure administrative and management costs were accurately monitored for the Homeland Security grant.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	97.067 Homeland Security Grant Program
Federal Award Number:	2009-SS-T0-0015
Applicable Compliance Component:	Earmarking
Questioned Cost Amount:	None

Background

The Washington Military Department administers the Homeland Security Grant Program. The program is intended to improve and significantly enhance the ability of the Nation to prevent, deter, respond to and recover from, threats and incidents of terrorism and to enhance regional preparedness. The Homeland Security Program provides financial assistance to the states (and through the states to local governments) to support activities such as planning, equipment, training, and exercise to address critical resource gaps identified in the assessments and priorities outlined within each state's Homeland Security Strategy.

The Department spent $24.1 million in Homeland Security Grant funds in fiscal year 2013 of which $22.9 million was distributed to subrecipients.

Federal earmarking requirements specify the amount or percentage of the program's funding that may be used for specified activities, including funds provided to subrecipients. The specific requirements for earmarking are unique to each Federal program and are found in the laws, regulations, and the contract provisions for the individual contract or grant agreements pertaining to the program.

During the 2013 fiscal year audit, the Department closed its 2009 Homeland Security Grant. The Department was allowed to retain three percent of the grant award for costs of management and administration. In addition, subrecipients were also allowed to retain three percent of the total amount awarded for management and administrative costs.

Description of Condition

The Department used data from their accounting system and Excel spreadsheets to track earmarking amounts charged to grants. Earmarking amounts were compiled into monthly reports and reviewed by management to ensure the three percent limitation for management and administrative costs was not exceeded. The Excel spreadsheets were the only tool used by management to monitor earmarking charges on a continuous basis.

We found:

- Data from the accounting system and Excel spreadsheets were not being reconciled.
- Excel spreadsheets used to monitor earmarking charges were not accurate and did not reflect the actual amounts charged.
- Monthly reports used by management to track subrecipient earmaking charges were not being reconciled to accounting records.

The Department's spreadsheets indicated the earmarking allowance had been exceeded. We performed further tests and found that actual earmarking amounts charged by the Department were within allowable limits. Based

on the information in the accounting system, we determined the Department did not exceed the allowable limits and we are not questioning any costs.

Cause of Condition

The Military Department attempted to redesign and reconfigure reports used for monitoring during the 2013 fiscal year. During this reconfiguration, links to other documentation and reports used to obtain information for the reports had broken causing the reports to contain incorrect information. The inaccuracies of these reports were not discovered until our audit.

Effect of Condition

The Military Department relies solely on these compiled reports and spreadsheets to ensure both the Department and its subrecipients are complying with earmarking provisions. Due to the inaccuracy of these reports, the Department was not readily aware of the correct amounts charged to the grant and was not monitoring the actual amounts charged on an ongoing basis as required. This condition creates the risk that the Department or it's subrecipients could exceed contract amounts or earmarking limitation.

Recommendation

We recommend the Department establish a process to ensure earmarking charges are accurately and continually monitored and reviewed as required. Furthermore, we recommend the Department utilize its accounting system in this process to monitor and identify earmarking charges to the extent possible and use the system to verify the accuracy of any reports or secondary tools used as an internal control.

In addition, we recommend the Department establish procedures to verify any reports or internal spreadsheets used as an internal control and for monitoring the grant are accurate and reconcile with underlying reimbursement requests.

Department's Response

During the audit, department management discovered that there were errors in the reports and notified the SAO. Corrective action was taken immediately to address these errors. Internal control procedures will be reviewed and a corrective action plan will be established and implemented.

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.
>
> (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.
(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-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Compliance Supplement 2013 Part 3 – Compliance Requirements, G. Matching, Level of Effort, Earmarking, states in part:

> The specific requirements for matching, level of effort, and earmarking are unique to each Federal program and are found in the laws, regulations, and the provisions of contract or grant agreements pertaining to the program. For programs listed in this Supplement, these specific requirements are in Part 4 – Agency Program Requirements or Part 5 – Clusters of Programs, as applicable.

U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Compliance Supplement 2013, Part 4-Department of Homeland Security, CFDA 97.067 Homeland Security Grant, G. Matching, Level of Effort, Earmarking, states in part:

> Not more than five percent of the FY 2006 and FY 2007 grant funds made available to a State may be used for costs of management and administration (42 USC 3714(c)(2); Title III, Pub. L. No. 108-334; Conference Report 109-241 to the FY 2006 Department of Homeland Security Appropriations Act (Pub. L. No. 109-90)). In FYs 2008 and 2009, not more than three percent of the grant funds may be used for costs of management and administration for SHSP and UASI (6 USC 609(a)(11)). In FY 2010, 2011, and 2012, the amount of HSGP funds (exclusive of OPSG funds, if any (House Report 111-157 to FY 2010 Department of Homeland Security Appropriations Act)) that grantees can allocate towards management and administration costs was increased to five percent (FY 2010 Department of Homeland Security Appropriations Act, Pub. L. No. 111-83, Title III (13)(C) and, FY 2011 Department of Defense and Full-Year Continuing Appropriations Act, Pub. L. No. 112-10). Beginning in FY 2011, five percent of OPSG funds may be used for costs of management and administration (discretionary decision by agency based on feedback from state and local stakeholders).

2013-045 The Military Department did not have adequate internal controls over subrecipient monitoring and did not adequately monitor subrecipients of the Homeland Security Grant Program.

Federal Awarding Agency:	U.S. Department of Health and Human Services
Pass-Through Entity:	None
CFDA Number and Title:	97.067 Homeland Security Grant Program
Federal Award Number:	2008-SG-T8-0023; 2009-SS-T9-0015; 2010-UA-T0-0023; 2010-SS-T0-0084; EMW-2011-US-00034; EMW-2011-SS-0030; EMW-2012-SS-00115
Applicable Compliance Component:	Subrecipient Monitoring
Questioned Cost Amount:	None

Background

The Washington Military Department administers the Homeland Security Grant Program. The program is intended to improve and significantly enhance the ability of the Nation to prevent, deter, respond to and recover from, threats and incidents of terrorism and to enhance regional preparedness. The Homeland Security Program provides financial assistance to the states (and through the states to local governments) to support activities such as planning, equipment, training, and exercise to address critical resource gaps identified in the assessments and priorities outlined within each state's Homeland Security Strategy.

The Department spent $24.1 million in Homeland Security Grant funds in fiscal year 2013, of which $22.9 million was distributed to subrecipients.

Pass-through entities are responsible for monitoring the subrecipients' use of federal awards to ensure they comply with federal law and grant agreements.

In our fiscal year 2012 audit, we reported the Department lacked internal controls over subrecipient monitoring activities and did not adequately comply with federal provisions. We noted the Department's subrecipient monitoring policy mostly relied on informing subgrantees of requirements through contracts internal reviews and audits, site visits, and interaction with subrecipients for monitoring activities. In accordance with these practices, minimal reliance was placed on expense reimbursement packages submitted by subrecipients and the Department required support only for subrecipient equipment purchases. Monitoring of all other activities and documentation for non-equipment purchases was only required if specifically requested by the Department and/or checked on a sample basis during monitoring activity by program staff.

The Department used a perpetual calendar to document and schedule monitoring activity for its subrecipients prior to fiscal year 2013. The Department's policy suggested a minimum of one formal monitoring activity a year, but at least one every two years. The calendar contained dates of all activity including both previous and future visits. Policy required program managers to maintain reports and documentation of any monitoring activity performed.

In our prior audit we found the Department's perpetual monitoring schedule/calendar did not list 17 of the 54 subrecipients selected for testing. These 17 subrecipients were either not listed on the calendar, never had any documented monitoring activity on the calendar, or had no monitoring activity during the two fiscal years prior to the audit. We also found the Department was unable to locate a report or any supporting documentation to show the results of 4 of 7 monitoring visits.

Description of Condition

During fiscal year 2013, the Department began the process of correcting the deficiencies noted in the fiscal year audit, but did not formalize any changes. The Department adopted two new policies related to subrecipient

monitoring in July 2013, after the end of the fiscal year audit. It continues to work on correcting the deficiencies noted; however no corrective action was performed during state fiscal year 2013.

In addition, the Department performed six visits to subrecipients to begin the process of becoming compliant with subrecipient monitoring provisions. Our review found that reports for four of the six visits, which had occurred in April and May of 2013 were not completed and signed until October 2013, after the current audit period. Of the two remaining reports completed during the fiscal year, one showed no evidence that documentation supported reimbursements were reviewed.

Cause of Condition

The Department did not have sufficient time and resources to complete the process of correcting noted deficiencies.

Effect of Condition

Without adequate internal controls the Department cannot verify its subrecipients are in compliance with federal requirements and contract provisions. In addition, the Department cannot verify it is reimbursing subrecipients only for allowable and actual costs.

Recommendation

We recommend the Department continue to establish adequate internal controls and policies and procedures over subrecipient monitoring activities to ensure subrecipients comply with required federal and contract provisions. We also recommend the Department only reimburse subrecipients for actual and allowable costs that are supported by documentation in accordance with federal requirements. We further recommend the Department communicate these expectations to all program staff and establish procedures to ensure expectations are properly met in a timely manner.

Department's Response

The Department does not believe that we have reimbursed subrecipients for other than actual and allowable costs. The department will review internal controls and policies and procedures and develop a corrective action plan to ensure subrecipients comply with required federal and contract provisions. Staff will be trained on new procedures to ensure expectations are properly met.

Auditor's Concluding Remarks

We determined the Department relies solely on unsupported A-19s to reimburse all expenditures except equipment purchases. Without examining supporting documents, at least on a sample basis, the Department cannot have reasonable assurance they are only reimbursing actual and allowable costs.

We thank the Department for their cooperation and assistance.

Applicable Laws and Regulations

OMB Circular A-133 Compliance Supplement Subpart C—Auditees

Section 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.

(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, states in part.

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.

(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(repealed 2/14/2014)), (2 CFR 200.403(g))

Appendix 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.

U.S. Office of Management and Budget Circular A-133, *Compliance Supplement for 2012*, Part 3, states in part:

Section M. Subrecipient Monitoring:

Compliance Requirements

A pass-through entity is responsible for:

- *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.

State of Washington
Schedule of Expenditures of Federal Awards

For the Year Ended
June 30, 2013
(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	IMLS# LG-64-12-0655-12	3600	35,450	0	PT
	Federal Program 03.000 Total			**35,450**	**0**	
03.301	Museums for America		3600	62,081	0	
	Federal Program 03.301 Total			**62,081**	**0**	
03.310	Grants to States		0850	2,890,899	116,686	
	Federal Program 03.310 Total			**2,890,899**	**116,686**	
03.312	National Leadership Grants		3600	324,649	6,839	
03.312			3650	160,431	134,101	
	Federal Program 03.312 Total			**485,080**	**140,940**	
03.313	Laura Bush 21st Century Librarian Program		3600	35,139	0	
	Federal Program 03.313 Total			**35,139**	**0**	
	Institute for Museum Services Total			**3,508,649**	**257,626**	

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, 2013
(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	62,824	0	
05.024			3650	17,271	0	
05.024			3760	44,181	0	
05.024			4650	62,713	0	
	Federal Program 05.024 Total			**186,989**	**0**	
05.025	Promo of Arts Partnership Agreements	TW20120128	3600	2,500	0	PT
05.025		TW20120138	3600	2,500	0	PT
05.025			3870	949,434	0	
	Federal Program 05.025 Total			**954,434**	**0**	
	National Endowment for the Arts Total			**1,141,423**	**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, 2013
(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
06.129	Promotion of the Humanities Federal/State Partners	4582GF12	3650	6,584	0	PT
06.129		4574-GF12	3700	7,500	0	PT
	Federal Program 06.129 Total			**14,084**	**0**	
06.130	Promotion of the Humanities Challenge Grants		3600	70,577	0	
	Federal Program 06.130 Total			**70,577**	**0**	
06.149	Promotion of the Humanities Division of Preservati		3600	99,789	0	
06.149			3650	9,405	0	
06.149			3900	123,599	0	
	Federal Program 06.149 Total			**232,793**	**0**	
06.169	Promotion of the Humanities Office of Digital Huma		0850	152,222	0	
06.169			3600	9,623	0	
06.169			3650	31,671	0	
	Federal Program 06.169 Total			**193,516**	**0**	
	National Endowment for the Humanities Total			**510,970**	**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, 2013
(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	9003000004	0800	45,000	0	PT
07.000		C110730FED-DME2	2250	282,823	0	
07.000		C110730FED-FOB2	2250	111,702	0	
07.000		C110730FED-INX2	2250	41,314	0	
07.000		C120703FED-DME3	2250	34,221	0	
07.000		C120703FED-FOB3	2250	6,526	0	
07.000		C120703FED-HI12	2250	1,205,604	0	
07.000		C120703FED-INX3	2250	5,000	0	
07.000		C120703FED-MT12	2250	30,642	0	
07.000		C130493FED-HI13	2250	2,013	0	
07.000		C130493FED-MT13	2250	2,847	0	
	Federal Program 07.000 Total			**1,767,692**	**0**	
	Office of National Drug Control Policy Total			**1,767,692**	**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, 2013
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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	07JV11221622367MOD02	3600	13,022	0	
10.000		07JV11242300157MOD03	3600	1,062	0	
10.000		09JV11015600039MOD01	3600	2,255	0	
10.000		09JV11242309041MOD01	3600	6,253	0	
10.000		10-JV-11261989-019	3600	9,211	0	
10.000		10JV11261987092MOD02	3600	96,902	0	
10.000		11-CR-11261987-104	3600	32,956	0	
10.000		11-PA-11272138-074	3600	23,366	0	
10.000		11CR11061700065MOD01	3600	1,485	0	
10.000		11JV11221633145MOD05	3600	124,310	0	
10.000		12-CR-11261975-106	3600	3,588	0	
10.000		12CA11261975022MOD01	3600	14,029	0	
10.000		12JV11261992025MO01	3600	38,145	0	
10.000		2012-JV-11261985-061	3600	722	0	
10.000		2013-32100-06092	3600	219,137	0	
10.000		20131-32100-06092	3600	44,320	0	
10.000		IPA EXTENSION	3600	(19,525)	0	
10.000		NO. 310 AM05	3600	126,829	0	PT
10.000		PNW 09-JV-11261985-005	3600	85	0	
10.000		PNW 11-JV-11261985-095	3600	18,483	0	
10.000		PNW 11-JV-11261985-096	3600	14,026	0	
10.000		PNW 12-CR-11261989-070	3600	16,112	0	
10.000		PNW 12-JV-11261992-052	3600	20,633	0	
10.000		PNW08JV11261975355MOD0	3600	(3,465)	0	
10.000		PNW08JV11261993167MOD0	3600	136,711	0	
10.000		PNW09CA11261991072MOD0	3600	58,405	0	
10.000		PNW09JV11261976035MOD0	3600	11,816	0	
10.000		PNW09JV11261985036MOD0	3600	(812)	0	
10.000		PNW09JV11261987002MOD0	3600	1,174,468	0	
10.000		PNW10JV11261955063MOD0	3600	25,718	0	
10.000		PNW10JV11261975086MOD0	3600	19,635	0	
10.000		PNW10JV11261985083MOD0	3600	16,540	0	
10.000		PNW11JV11261952030MOD0	3600	192,974	0	
10.000		PNW11JV11261985071MOD0	3600	43,470	0	
10.000		SUBCONTRACT 910	3600	4,507	0	PT
10.000		SUBCONTRACT NO. 810	3600	1,161	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

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10.000	Agriculture - Contract Number Only Provided	UW BUD# 638421	3600	(553)	0	PT
10.000		:09JV11221634308	3650	4,479	0	
10.000		07CS11020000078	3650	(102)	0	
10.000		07JV11221609276	3650	541	0	
10.000		08JV11221636133	3650	76,986	0	
10.000		09JV11261900006	3650	4,710	4,557	
10.000		09JV11261975028	3650	30,405	(81)	
10.000		1.80003E+12	3650	11,597	0	PT
10.000		10CR11221634229	3650	32,032	0	
10.000		10JV11221634007	3650	543	0	
10.000		10JV11242309112	3650	3,007	0	
10.000		10JV11261900057	3650	1,704	0	
10.000		10JV11272138068	3650	6,536	0	
10.000		10JV11272138081	3650	5,184	0	
10.000		1181001585CA	3650	6,157	0	
10.000		1181300044CA	3650	30,587	0	
10.000		1181301516CA	3650	1,743	0	
10.000		1185501497CA	3650	48,432	0	
10.000		11CS11060500014	3650	996	0	
10.000		11JV11221634188	3650	51,754	0	
10.000		11JV11221634196	3650	81,850	0	
10.000		11JV11261987097	3650	57,335	0	
10.000		1281300044CA	3650	13,104	0	
10.000		1281300122CA	3650	14,371	0	
10.000		1281300178CA	3650	992	0	
10.000		1281300186CA	3650	9,937	0	
10.000		12CS11020000078	3650	10,003	0	
10.000		12JV11221636156	3650	5,809	0	
10.000		201120630WAS16	3650	35,418	0	PT
10.000		201120630WAS17	3650	12,000	0	PT
10.000		201125	3650	35,760	0	PT
10.000		3310WSUNASULGC0114	3650	10,638	0	PT
10.000		5853523024	3650	78	0	
10.000		6197K120087	3650	11,400	0	
10.000		6197K120224	3650	18,594	0	
10.000		6197K130036	3650	30,165	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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10.000	Agriculture - Contract Number Only Provided	6395K130076	3650	56,610	0	
10.000		AG0120P100049	3650	14,520	0	
10.000		AG6395P130252	3650	57,438	0	
10.000		WSU002126	3650	2,729	0	
10.000		WSU002127	3650	93,895	0	PT
10.000		WSU002142	3650	109,436	0	PT
10.000		WSU002577	3650	800	0	
10.000		11-CR-11061700-018	3750	242	0	
10.000		7-cs-11062200012	4600	14,637	0	
10.000		10-CS-11060900-02	4770	7,251	0	
10.000		10-CS-11061700-04	4770	4,465	0	
10.000		11-LE-1106-11060500-01	4770	18,116	0	
	Federal Program 10.000 Total			**3,532,865**	**4,476**	
10.025	Plant and Animal Disease, Pest Control, and Animal		3650	1,144,301	6,442	
10.025			4770	27,011	0	
10.025			4950	2,193,246	0	
	Federal Program 10.025 Total			**3,364,558**	**6,442**	
10.028	Wildlife Services		3650	66,055	52,804	
	Federal Program 10.028 Total			**66,055**	**52,804**	
10.069	Conservation Reserve Program		4770	15,851	0	
	Federal Program 10.069 Total			**15,851**	**0**	
10.093	Voluntary Public Access & Habitat Incentive Progra		4770	1,021,021	0	
	Federal Program 10.093 Total			**1,021,021**	**0**	
10.156	Federal-State Marketing Improvement Program		3600	11,672	0	
	Federal Program 10.156 Total			**11,672**	**0**	
10.163	Market Protection and Promotion		4950	1,874,473	0	
	Federal Program 10.163 Total			**1,874,473**	**0**	
10.168	Farmers' Market Promotion Program	WSFMAWSUFMPP	3650	11,795	0	PT
	Federal Program 10.168 Total			**11,795**	**0**	
10.170	Specialty Crop Block Grant Program - Farm Bill	N/A	3700	8,143	0	PT
10.170			4950	3,193,914	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 10.170 Total			**3,202,057**	**0**	
10.210	Food and Agricultural Sciences National Needs Grad		3650	56,482	0	
	Federal Program 10.210 Total			**56,482**	**0**	
10.225	Community Food Projects	UW BUD# 639704	3600	5,958	0	PT
	Federal Program 10.225 Total			**5,958**	**0**	
10.303	Integrated Programs		3650	1,278,510	428,884	
10.303		20112630WAS18	3650	19,369	0	PT
10.303		BJKH03SB001	3650	49,195	0	PT
10.303		BJKH03SB002	3650	4,541	0	PT
10.303		BJKH15SB001	3650	48,364	0	PT
10.303		BJKH15SB002	3650	100,527	0	PT
10.303		FAR0021477	3650	47,510	0	PT
10.303		RC100946WSU	3650	112,117	0	PT
10.303		SA7746	3650	17,370	0	PT
	Federal Program 10.303 Total			**1,677,503**	**428,884**	
10.304	Homeland Security_agricultural		3650	266,313	0	
10.304		20122390204	3650	38,725	0	PT
	Federal Program 10.304 Total			**305,038**	**0**	
10.305	International Science and Education Grants	2008120601	3650	21,268	0	PT
	Federal Program 10.305 Total			**21,268**	**0**	
10.307	Organic Agriculture Research and Extension Initiat		3650	953,000	102,838	
	Federal Program 10.307 Total			**953,000**	**102,838**	
10.309	Specialty Crop Research Initiative		3650	2,857,152	848,640	
10.309		1.0802E+12	3650	55,235	0	PT
10.309		13014NU793	3650	29,136	0	PT
10.309		20101294201	3650	577	0	PT
10.309		20101304802	3650	239,147	0	PT
10.309		2010136502	3650	163,790	0	PT
10.309		2012178503	3650	17,956	0	PT
10.309		350K873	3650	96,424	0	PT
10.309		3651	3650	4,913	0	PT
10.309		3826WSUUSDA9561	3650	15,301	0	PT

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10.309	Specialty Crop Research Initiative	428K072	3650	7,410	0	PT
10.309		614296A	3650	519,457	0	PT
10.309		6986	3650	149,385	0	PT
10.309		C0423BA	3650	204,749	0	PT
10.309		NSF0761	3650	46,444	0	PT
10.309		RC100858B	3650	329,321	0	PT
10.309		RC100888WSU	3650	9,994	0	PT
	Federal Program 10.309 Total			**4,746,391**	**848,640**	
10.311	Beginning Farmer and Rancher Development Program		3650	412,968	196,524	
	Federal Program 10.311 Total			**412,968**	**196,524**	
10.312	Biomass Research and Development Initiative Compet		3650	124,989	0	
10.312		303742	3650	(1,299)	0	PT
10.312		MA120037	3650	94,040	0	PT
	Federal Program 10.312 Total			**217,730**	**0**	
10.314	New Era Rural Technology Competitive Grants Prog		6990	163,536	0	
	Federal Program 10.314 Total			**163,536**	**0**	
10.315	ARRA - Trade Adj Assist for Farmers Training Coord	H001344204	3650	360,483	0	PT
10.315		H001344218	3650	(4)	0	PT
	Federal Program 10.315 Total			**360,479**	**0**	
10.443	Outreach and Assistance for Socially Disadvantaged		3650	2,275	854	
	Federal Program 10.443 Total			**2,275**	**854**	
10.459	Commodity Partnerships for Small Agricultural Risk		3650	128,428	0	
10.459			4950	29,457	0	
	Federal Program 10.459 Total			**157,885**	**0**	
10.479	Food Safety Cooperative Agreements		3030	536,676	71,427	
	Federal Program 10.479 Total			**536,676**	**71,427**	
10.500	Cooperative Extension Service		3650	7,790,682	556,307	
10.500		12006968B00	3650	24,506	0	PT
10.500		201120392WSU	3650	806,828	0	PT
10.500		548748872	3650	(1)	0	PT
10.500		8000020482AG	3650	2,968	0	PT
10.500		8000041656	3650	69,056	0	PT

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10.500	Cooperative Extension Service	8000047645	3650	202,716	0	PT
10.500		80827002	3650	(209)	0	PT
10.500		Q01465	3650	15,724	0	PT
10.500		S12003	3650	16,479	0	PT
10.500		S12063	3650	16,147	0	PT
10.500		S12099	3650	8,283	0	PT
10.500		S12213	3650	17,368	0	PT
10.500		S13045	3650	66,675	0	PT
10.500		S13055	3650	16,254	0	PT
10.500		UTSTUNV46467WA2	3650	317	0	PT
	Federal Program 10.500 Total			**9,053,793**	**556,307**	
10.557	Suppl Nutri Prog for WIC		3030	147,925,630	32,264,100	
	Federal Program 10.557 Total			**147,925,630**	**32,264,100**	
10.558	Child and Adult Care Food Program		3500	42,638,919	42,058,635	
	Federal Program 10.558 Total			**42,638,919**	**42,058,635**	
10.560	State Administrative Expenses for Child Nutrition		3500	5,047,407	1,909,031	
	Federal Program 10.560 Total			**5,047,407**	**1,909,031**	
10.572	WIC Farmers' Market Nutrition Program (Fmnp)		3030	590,613	18,246	
	Federal Program 10.572 Total			**590,613**	**18,246**	
10.574	Team Nutrition Grants		3500	139,328	0	
10.574		USM-GR03970-001	3750	79,547	0	PT
	Federal Program 10.574 Total			**218,875**	**0**	
10.575	Farm to School Grant Program		4950	41,468	0	
	Federal Program 10.575 Total			**41,468**	**0**	
10.576	Senior Farmers Market Nutrition Program		3000	235,210	4,725	
	Federal Program 10.576 Total			**235,210**	**4,725**	
10.579	Child Nutrition Discretionary Grants		3000	126,869	0	
10.579			3500	1,020,355	0	
10.579			3650	406,300	306,840	
	Federal Program 10.579 Total			**1,553,524**	**306,840**	
10.580	Special Nutrition Assistance Program Outreach/Part		3000	256,072	199,481	

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	Federal Program 10.580 Total			**256,072**	**199,481**	
10.582	Fresh Fruit and Vegetable Program		3500	3,104,685	3,034,028	
	Federal Program 10.582 Total			**3,104,685**	**3,034,028**	
10.664	Cooperative Forestry Assistance		3650	66,971	3,700	
10.664			4900	3,366,441	0	
	Federal Program 10.664 Total			**3,433,412**	**3,700**	
10.675	Urban and Community Forestry Program		3600	16,909	0	
	Federal Program 10.675 Total			**16,909**	**0**	
10.676	Forest Legacy Program		4900	21,760	0	
	Federal Program 10.676 Total			**21,760**	**0**	
10.678	Forest Stewardship Program		4900	37,888	0	
	Federal Program 10.678 Total			**37,888**	**0**	
10.680	Forest Health Protection		4950	289,310	0	
	Federal Program 10.680 Total			**289,310**	**0**	
10.688	ARRA - Priortize Fuel Treatments		3600	49,647	0	
10.688			4900	636,834	0	
	Federal Program 10.688 Total			**686,481**	**0**	
10.693	Watershed Restoration & Enhancement Agreement Auth		4770	102,410	0	
	Federal Program 10.693 Total			**102,410**	**0**	
10.777	Norman E Borlaug Intl AG & Science Tech Fellowship		3650	190,789	15,000	
	Federal Program 10.777 Total			**190,789**	**15,000**	
10.868	Rural Energy for America Program		1030	58,478	31,000	
10.868			3650	(5,916)	0	
	Federal Program 10.868 Total			**52,562**	**31,000**	
10.902	Soil and Water Conservation		4950	18,125	0	
	Federal Program 10.902 Total			**18,125**	**0**	
10.903	Soil Survey		3650	65,311	0	
	Federal Program 10.903 Total			**65,311**	**0**	
10.912	Environmental Quality Incentives Program		3650	594,626	207,431	

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10.912	Environmental Quality Incentives Program	20080116039	3650	(72)	0	PT
10.912		WAFO261060910	3650	14,451	0	PT
10.912		WAS110428135	3650	31,693	0	PT
10.912			4710	484,458	484,458	
10.912			4770	6,193	0	
	Federal Program 10.912 Total			**1,131,349**	**691,889**	
10.914	Wildlife Habitat Incentive Program		4770	13,409	0	
	Federal Program 10.914 Total			**13,409**	**0**	
10.950	Agricultural Statistics Reports		3650	227,479	0	
	Federal Program 10.950 Total			**227,479**	**0**	
10.960	Technical Agricultural Assistance		3650	34,293	0	
	Federal Program 10.960 Total			**34,293**	**0**	
10.962	Cochran Fellowship Program-International Training-		3650	23,218	0	
	Federal Program 10.962 Total			**23,218**	**0**	
10.999	Department of Agriculture - Undetermined		3600	18,920	0	
10.999			4770	148,489	0	
	Federal Program 10.999 Total			**167,409**	**0**	
	Dept of Agriculture Total			**239,895,846**	**82,805,871**	

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11.000	Commerce - Contract Number Only Provided	11-03 AM01	3600	1,290	0	PT
11.000		12-38 AM01	3600	11,823	0	PT
11.000		12-39AM01	3600	8,169	0	PT
11.000		12-64	3600	12,748	0	PT
11.000		553-3975-0XX AM03	3600	7,779	0	PT
11.000		AB-133F-12-CN-0081	3600	43,867	0	
11.000		AB-133F-12-SE-0973	3600	23,609	0	
11.000		AB-133F-12-SE-1969	3600	11,450	0	
11.000		AB133F-10-SE-3661 AM03	3600	4,053	0	
11.000		AB133F-11-CN-0146	3600	194,371	0	
11.000		AB133F06CN0297 MOD03	3600	(24)	0	
11.000		AB133F07CN0246 MOD4	3600	47,701	0	
11.000		AB133F09SE4323MOD04	3600	3,727	0	
11.000		AB133F10CN0345MOD05	3600	116,558	0	
11.000		AB133F10CN0351MOD02	3600	180,001	0	
11.000		AB133F10SE3568MOD01	3600	12,463	0	
11.000		AB133F11SE0931MOD01MOD	3600	9,807	0	
11.000		AB133F12SE0973MOD1	3600	42,280	0	
11.000		AB133F13SE0590AM01	3600	14,068	0	
11.000		AB133R10SE2605MOD0002	3600	4,371	0	
11.000		AM01	3600	501	0	PT
11.000		DG133E10SE2849 MOD02	3600	83,091	0	
11.000		DG133E10SE3687AM01	3600	20,244	0	
11.000		IP1016	3600	170,438	0	
11.000		NMFSFHQ20092001464AM02	3600	2,755	0	PT
11.000		RA133F11SE1714	3600	36,881	0	
11.000		RA133F12SE1965	3600	66,553	0	
11.000		SA #13-12	3600	13,000	0	PT
11.000		UAF-10-0028 MOD.3	3600	9,577	0	PT
11.000		UW BUD# 664480	3600	86,300	0	PT
11.000		WE-133F-12-SE-1379	3600	75,557	0	
11.000		WE-133F-12-SE-1860	3600	28,764	0	
11.000		WE-133R-13-SE-0361	3600	185	0	
11.000		WE133F11SE3018MODM0001	3600	11,372	0	
11.000		212111	3650	18,949	0	PT
11.000		IP1209	3650	11,356	0	

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11.000	Commerce - Contract Number Only Provided	12-42	4770	229,795	0	PT
11.000		12-57	4770	34,957	0	PT
11.000		13-03	4770	62,905	0	PT
11.000		13-65	4770	24,693	0	PT
11.000		13-66	4770	12,810	0	PT
11.000		13-71	4770	5,419	0	PT
11.000		13-72	4770	5,648	0	PT
11.000		13-73	4770	19,762	0	PT
11.000		2011-3	4770	33,159	0	PT
11.000		334-12	4770	22,761	0	PT
11.000		6F1IPA01	4770	43,491	0	
11.000		IPA MOLENAAR	4770	29,958	0	
11.000		07-01-06446	6990	1,870,827	0	
11.000		07-01-06494	6990	53,660	0	
	Federal Program 11.000 Total			**3,835,479**	**0**	
11.012	Integrated Ocean Observing System (Ioos)		3600	2,802,967	1,560,015	
	Federal Program 11.012 Total			**2,802,967**	**1,560,015**	
11.302	Economic Development_support for Planning Organiza	Subaward Agreement	3750	6,500	0	PT
11.302			3800	8,169	0	
	Federal Program 11.302 Total			**14,669**	**0**	
11.303	Economic Development_technical Assistance		3650	138,047	0	
11.303			6990	29,402	0	
	Federal Program 11.303 Total			**167,449**	**0**	
11.400	Geodetic Surveys and Services (Geodesy and Applica		4900	19,231	0	
	Federal Program 11.400 Total			**19,231**	**0**	
11.407	Interjurisdictional Fisheries Act of 1986		4770	80,288	0	
	Federal Program 11.407 Total			**80,288**	**0**	
11.419	Coastal Zone Management Administration Awards		4610	4,994,493	0	
	Federal Program 11.419 Total			**4,994,493**	**0**	
11.436	Columbia River Fisheries Development Program		4670	199,500	2,960	
11.436			4770	6,867,735	0	
11.436		11-16	4770	160,604	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 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 11.436 Total			**7,227,839**	**2,960**	
11.437	Pacific Fisheries Data Program	11-112	4770	118,783	0	PT
11.437		12-103	4770	407,394	0	PT
11.437		12-105	4770	26,186	0	PT
11.437		12-41	4770	93,439	0	PT
11.437		12-59	4770	116,656	0	PT
11.437		12-75	4770	4,095	0	PT
11.437		12-82	4770	178,099	0	PT
11.437		13-24	4770	158,223	0	PT
11.437		13-27	4770	125,030	0	PT
11.437		13-30	4770	20,174	0	PT
11.437		13-91	4770	89,262	0	PT
	Federal Program 11.437 Total			**1,337,341**	**0**	
11.438	Pacific Coast Salmon Recovery_pacific Salmon Treat	44714	3600	19,599	0	PT
11.438		COOP 10-029	3600	(157)	0	PT
11.438		COOP 11012	3600	177,424	0	PT
11.438		COOP-11-031 REV01	3600	18,912	0	PT
11.438			4670	27,241,106	18,788,763	
11.438			4770	2,357,724	0	
	Federal Program 11.438 Total			**29,814,608**	**18,788,763**	
11.439	Marine Mammal Data Program		4770	128,293	0	
11.439		12-62	4770	34,027	0	PT
11.439		13-25	4770	105,863	0	PT
	Federal Program 11.439 Total			**268,183**	**0**	
11.441	Regional Fishery Management Councils	06-12	4770	38,036	0	PT
11.441		06-13	4770	47,063	0	PT
	Federal Program 11.441 Total			**85,099**	**0**	
11.463	Habitat Conservation		2450	22,436	22,436	
11.463		UW BUD# 664759	3600	12,246	0	PT
11.463		RYBCZK	3800	2,456	0	PT
11.463			4770	182,915	0	
11.463			4780	159,053	0	
	Federal Program 11.463 Total			**379,106**	**22,436**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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
11.469	Congressionally Identified Awards and Projects		3600	39,089	0	
11.469		SA #11-28	3600	(37)	0	PT
11.469			4610	19,865	0	
	Federal Program 11.469 Total			**58,917**	**0**	
11.473	Coastal Services Center		3600	62,374	57,509	
	Federal Program 11.473 Total			**62,374**	**57,509**	
11.478	Center for Sponsored Coastal Ocean Research_coasta		3600	622,173	67,281	
	Federal Program 11.478 Total			**622,173**	**67,281**	
11.482	Coral Reef Conservation Program		3650	8,057	0	
	Federal Program 11.482 Total			**8,057**	**0**	
11.550	Public Telecommunications Facilities Planning And		3600	(128)	0	
	Federal Program 11.550 Total			**(128)**	**0**	
11.555	Public Safety Interoperable Communications Grant P		2450	3,094,368	3,056,672	
	Federal Program 11.555 Total			**3,094,368**	**3,056,672**	
11.557	ARRA - Broad Tech Opportunities Prog (Btop)	53-42-B10585	3600	104,921	0	PT
	Federal Program 11.557 Total			**104,921**	**0**	
11.558	ARRA - State Broad Data & Dev Grant Program		1030	1,253,133	0	
	Federal Program 11.558 Total			**1,253,133**	**0**	
11.999	Department of Commerce - Undetermined		3600	3,097	0	
11.999			4770	772,909	0	
11.999		None	4770	17,229	0	PT
	Federal Program 11.999 Total			**793,235**	**0**	
	Dept of Commerce Total			**57,023,802**	**23,555,636**	

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
12.101	Beach Erosion Control Projects		4770	11,296	0	
	Federal Program 12.101 Total			**11,296**	**0**	
12.112	Payments to States In Lieu of Real Estate Taxes		0050	45,835	0	
	Federal Program 12.112 Total			**45,835**	**0**	
12.400	Military Construction, National Guard		2450	8,612,131	0	
12.400		2022 MOD03/PO#669610	3600	188,979	0	PT
	Federal Program 12.400 Total			**8,801,110**	**0**	
12.401	Natl Guard Military Oper & Maint		2450	19,397,463	9	
	Federal Program 12.401 Total			**19,397,463**	**9**	
12.404	National Guard Civilian Youth Opportunities		2450	3,652,283	0	
	Federal Program 12.404 Total			**3,652,283**	**0**	
12.900	Language Grant Program		3600	111,637	0	
	Federal Program 12.900 Total			**111,637**	**0**	
12.901	Mathematical Sciences Grants Program		3600	17,422	0	
	Federal Program 12.901 Total			**17,422**	**0**	
12.999	Department of Defense - Undetermined		3600	274,223	0	
12.999			4770	30,175	0	
	Federal Program 12.999 Total			**304,398**	**0**	
	Dept of Defense Total			**32,341,444**	**9**	

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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	RED092008-02	3600	86,097	0	PT
14.000		WSU002082	3650	7,410	0	PT
	Federal Program 14.000 Total			**93,507**	**0**	
14.169	Housing Counseling Assistance Program		1480	167,913	162,100	
	Federal Program 14.169 Total			**167,913**	**162,100**	
14.171	Manufactured Home Construction and Safety Standard		2350	82,227	0	
	Federal Program 14.171 Total			**82,227**	**0**	
14.231	Emergency Shelter Grants Program		1030	2,198,308	2,198,308	
	Federal Program 14.231 Total			**2,198,308**	**2,198,308**	
14.235	Supportive Housing Program		1030	188,901	0	
	Federal Program 14.235 Total			**188,901**	**0**	
14.239	Home Investment Partnerships Program		1030	6,620,432	5,980,950	
14.239		HKPA FY 2013	1480	18,000	0	PT
14.239		HKPS FY 2013	1480	350,667	0	PT
	Federal Program 14.239 Total			**6,989,099**	**5,980,950**	
14.241	Housing Opportunities for Persons With AIDS		1030	1,193,373	1,123,070	
	Federal Program 14.241 Total			**1,193,373**	**1,123,070**	
14.257	ARRA - Homeless Prev & Rapid Re-Housing Prog		1030	114,816	114,325	
	Federal Program 14.257 Total			**114,816**	**114,325**	
14.323	Emergency Homeowners' Loan Program	EHLP Grant FY 2013	1480	7,498	0	PT
	Federal Program 14.323 Total			**7,498**	**0**	
14.401	Fair Housing Assistance Program_state and Local		1200	345,218	0	
	Federal Program 14.401 Total			**345,218**	**0**	
14.514	Hispanic-Serving Institutions Assisting Communitie		6990	143,435	0	
	Federal Program 14.514 Total			**143,435**	**0**	
14.703	Sustainable Communities Regional Planning Grant	2012-08 AM01	3600	30,928	0	PT
	Federal Program 14.703 Total			**30,928**	**0**	
14.704	Community Challenge/DOT Tiger II Planning Grants	UW BUD# 663992	3600	86,111	0	PT
	Federal Program 14.704 Total			**86,111**	**0**	
	Housing & Urban Development Total			**11,641,334**	**9,578,753**	

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Dept of the Interior

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15.000	Bia/Bie Cross-Cutting Section	1010-840 UW	3600	24,867	0	PT
15.000		10100-0-J001MOD4	3600	(87)	0	
15.000		1018028UWTOF13PB00153	3600	20,371	0	PT
15.000		53-12-GP-579	3600	10,837	0	
15.000		F12AC00135 MOD03	3600	(40)	0	
15.000		G11PX90018 MOD02	3600	21,530	0	
15.000		G12PX00444	3600	17,201	0	
15.000		G12PX00932 AM01	3600	10,645	0	
15.000		G12PX01432	3600	13,262	0	
15.000		P09AC00267 MOD02	3600	21,674	0	
15.000		P09AC00287 MOD04	3600	7,936	0	
15.000		P09AC00289 MOD04	3600	30,381	0	
15.000		RC051-S3 AM03	3600	55,284	0	PT
15.000		RC051-S3 AM07	3600	234,550	0	PT
15.000		UW BUD# 661026	3600	629	0	PT
15.000		UW BUD# 666836	3600	59,894	0	PT
15.000		UWA-PTS-002	3600	8,551	0	PT
15.000		101819M503	3650	(182)	0	
15.000		13580AM144	3650	(107)	0	
15.000		601819Z301	3650	4,250	0	
15.000		F08AC00281	3650	(1,283)	0	
15.000		F10PX75709	3650	15,825	0	
15.000		F12PX02961	3650	14,457	0	
15.000		G11PX00017	3650	24,999	0	
15.000		G11PX01218	3650	4,735	0	
15.000		G11PX01472	3650	1,081	0	
15.000		G12PX01011	3650	17,596	0	
15.000		G12PX01408	3650	3,770	0	
15.000		L10PX02187	3650	2,941	0	
15.000		L11PX01038	3650	(80)	0	
15.000		L11PX01617	3650	1,965	0	
15.000		P10AC00075	3650	4,314	0	
15.000		P11AT10531	3650	954	0	
15.000		P12AC10790	3650	33,776	0	
15.000		P12PX14828	3650	2,975	0	
15.000		Interagency Agreement	3750	2,400	0	

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15.000	Bia/Bie Cross-Cutting Section	J8W07100001/H8W0706000	3750	19,852	0	
15.000		98210-8-J105	4770	20,841	0	PT
15.000		IPA - IW138	4770	75,789	0	
	Federal Program 15.000 Total			**788,353**	**0**	
15.000A	Bia/Bie Cross-Cutting Section	R9453120011	3760	2,704	0	
15.000A		W911S81220001	3760	25,000	0	
	Federal Program 15.000A Total			**27,704**	**0**	
15.033	Road Maintenance Indian Roads		4050	97	0	
	Federal Program 15.033 Total			**97**	**0**	
15.036	Indian Rights Protection	UW BUD# 666889	3600	2,410	0	PT
	Federal Program 15.036 Total			**2,410**	**0**	
15.114	Indian Education_higher Education Grant Program		3650	426,616	0	
	Federal Program 15.114 Total			**426,616**	**0**	
15.226	Payments In Lieu of Taxes		0050	630,915	0	
	Federal Program 15.226 Total			**630,915**	**0**	
15.227	Distribution of Receipts to State and Local Govern		0050	21,175	0	
	Federal Program 15.227 Total			**21,175**	**0**	
15.228	National Fire Plan - Wildland Urban Interface Comm		4900	282,945	0	
	Federal Program 15.228 Total			**282,945**	**0**	
15.231	Fish Wildlife & Plant Conserv Res Mgt		3600	21,308	0	
15.231		1601.12.033958	3600	23,826	0	PT
15.231			3650	70,764	5,000	
15.231			4610	23,140	0	
15.231			4900	13,183	0	
	Federal Program 15.231 Total			**152,221**	**5,000**	
15.232	Wildland Fire Research and Studies Program		3600	19,467	0	
15.232			3650	11,487	0	
	Federal Program 15.232 Total			**30,954**	**0**	
15.233	Forests & Woodlands Resource Mgmt		3600	153,755	0	
	Federal Program 15.233 Total			**153,755**	**0**	

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15.236	Envn Quality & Protection Rsc Mgmt		4770	21,644	0	
	Federal Program 15.236 Total			**21,644**	**0**	
15.238	Challenge Cost Share		3600	4,025	0	
15.238			3650	44,522	0	
15.238			4770	21,268	0	
	Federal Program 15.238 Total			**69,815**	**0**	
15.255	Applied Science Program Cooperative Agreements Rel		3650	28,512	22,629	
	Federal Program 15.255 Total			**28,512**	**22,629**	
15.423	Minerals Management Service (Mms) Environmental ST	DI068AA	3650	707	0	PT
	Federal Program 15.423 Total			**707**	**0**	
15.512	Central Valley Proj Imprv Act, Title Xxxi		3600	60,151	0	
	Federal Program 15.512 Total			**60,151**	**0**	
15.517	Fish and Wildlife Coordination Act		3600	24,109	0	
	Federal Program 15.517 Total			**24,109**	**0**	
15.524	Recreation Resources Management		4650	62,265	0	
	Federal Program 15.524 Total			**62,265**	**0**	
15.531	Yakima Rv Basin Water Enhanc Proj(Yrbwep)		4610	56,941	0	
	Federal Program 15.531 Total			**56,941**	**0**	
15.608	Fish and Wildlife Management Assistance		3600	348,922	229,255	
15.608			3650	87,709	0	
15.608		2.01E+11	3650	101,498	0	PT
15.608			4770	295,543	0	
15.608			4900	13,581	0	
	Federal Program 15.608 Total			**847,253**	**229,255**	
15.614	Coastal Wetlands Planning, Protection and Restorat		4610	2,633,804	0	
15.614			4770	3,071,007	0	
15.614			4900	282,449	0	
	Federal Program 15.614 Total			**5,987,260**	**0**	
15.615	Cooperative Endangered Species Conservation Fund	438401-OC AM09	3600	278,547	0	PT
15.615			4770	6,009,415	0	
15.615			4900	13,221,860	0	

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	Federal Program 15.615 Total			**19,509,822**	**0**	
15.616	Clean Vessel Act		4650	1,103,480	0	
	Federal Program 15.616 Total			**1,103,480**	**0**	
15.620	African Elephant Conservation Fund		3600	(1)	0	
	Federal Program 15.620 Total			**(1)**	**0**	
15.622	Sportfishing and Boating Safety Act		4670	724,047	680,116	
	Federal Program 15.622 Total			**724,047**	**680,116**	
15.623	North American Wetlands Conservation Fund		4770	17,962	0	
	Federal Program 15.623 Total			**17,962**	**0**	
15.626	Firearm and Bow Hunter Education and Safety Progra		4770	876,027	0	
	Federal Program 15.626 Total			**876,027**	**0**	
15.630	Coastal Program		4670	5,168	2,826	
15.630			4770	228,496	0	
15.630			4900	2,456	0	
	Federal Program 15.630 Total			**236,120**	**2,826**	
15.631	Partners for Fish and Wildlife		4670	329,321	0	
15.631			4770	908,749	0	
15.631			4950	56,092	0	
	Federal Program 15.631 Total			**1,294,162**	**0**	
15.634	State Wildlife Grants		4770	1,151,449	0	
	Federal Program 15.634 Total			**1,151,449**	**0**	
15.635	Neotropical Migratory Bird Conservation		4770	10,612	0	
	Federal Program 15.635 Total			**10,612**	**0**	
15.639	Tribal Wildlife Grants Program	UW BUD# 663703	3600	15,072	0	PT
	Federal Program 15.639 Total			**15,072**	**0**	
15.642	Challenge Cost Share		3700	1,225	0	
	Federal Program 15.642 Total			**1,225**	**0**	
15.649	Service Training and Technical Assistance (Generic		3700	11,316	0	
15.649		WDFW10-1610	3760	29,839	0	PT
15.649			4770	89,472	0	

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	Federal Program 15.649 Total			**130,627**	**0**	
15.655	Migratory Bird Monitoring, Assessment and Conserva		4770	7,338	0	
	Federal Program 15.655 Total			**7,338**	**0**	
15.657	Endangered Species Conservation		3600	109,637	0	
15.657		36633052, R/SF-54	3600	24,077	0	PT
15.657		WA-S-2011-006-1	3600	530	0	PT
15.657			3650	10,678	0	
15.657		WA-C-2011-022 O	3760	49,632	0	PT
15.657			4770	328,320	0	
15.657			4900	59,738	0	
	Federal Program 15.657 Total			**582,612**	**0**	
15.660	Endangered Species - Candidate Conservation Action		4770	92,842	0	
15.660			4900	24,318	0	
	Federal Program 15.660 Total			**117,160**	**0**	
15.661	Lower Snake River Compensation Plan		4770	3,233,627	0	
	Federal Program 15.661 Total			**3,233,627**	**0**	
15.809	National Spatial Data Infrastructure Cooperative A	4600008876 AM03	3600	4,853	0	PT
15.809			4610	29,825	0	
15.809			4900	24,828	0	
	Federal Program 15.809 Total			**59,506**	**0**	
15.810	National Cooperative Geologic Mapping Program		3650	9,408	0	
15.810			3750	19,124	0	
15.810			4900	211,752	0	
	Federal Program 15.810 Total			**240,284**	**0**	
15.811	Gap Analysis Program		4770	20,041	0	
	Federal Program 15.811 Total			**20,041**	**0**	
15.814	National Geological and Geophysical Data Preservat		4900	25,257	0	
	Federal Program 15.814 Total			**25,257**	**0**	
15.820	National Climate Change and Wildlife Service Cente		3600	51,680	0	
15.820		GS240B-B AM02	3600	184,576	0	PT
15.820		GS275A-A	3600	1,835	0	PT

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15.820	National Climate Change and Wildlife Service Cente	GS276A-A	3600	45,116	0	PT
15.820		SUBGRANTNOGS254AAAM01	3600	26,238	0	PT
	Federal Program 15.820 Total			**309,445**	**0**	
15.904	Historic Preservation Fund Grants-In-Aid		3550	786,041	0	
15.904		N/A	3700	3,710	0	PT
15.904			3800	74,001	0	
	Federal Program 15.904 Total			**863,752**	**0**	
15.916	Outdoor Recreation_acquisition, Development and Pl		4670	1,189,599	1,038,842	
	Federal Program 15.916 Total			**1,189,599**	**1,038,842**	
15.921	Rivers, Trails and Conservation Assistance		4050	77,174	0	
15.921			4770	183,351	0	
	Federal Program 15.921 Total			**260,525**	**0**	
15.933	Preservation of Japanese American Confinement Site		3650	35,142	0	
	Federal Program 15.933 Total			**35,142**	**0**	
15.999	Department of Interior - Undetermined		3600	171,525	0	
15.999			4770	156,444	0	
	Federal Program 15.999 Total			**327,969**	**0**	
	Dept of the Interior Total			**42,018,663**	**1,978,668**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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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
16.000	Justice - Contract Number Only Provided	WA034110	1950	80,034	0	
16.000		C050439FED-TFA8	2250	1,398	0	
16.000		C080692FED-GET1	2250	17,917	0	
16.000		C090226FED-TFE1	2250	16,516	0	
16.000		C120169FED-TFH6	2250	4,491	0	
16.000		C120170FED-TFH5	2250	3,743	0	
16.000		C120171FED-TFH4	2250	1,509	0	
16.000		C120172FED-TFH3	2250	2,628	0	
16.000		C120173GSC-TFH2	2250	2,837	0	
16.000		C120770FED-MJ12	2250	1,371,690	0	
16.000		C130066FED-TFJ4	2250	6,097	0	
16.000		C130072FED-TFJ5	2250	8,410	0	
16.000		C130090FED-TFJ6	2250	10,859	0	
16.000		C130091FED-TFJ7	2250	8,998	0	
16.000		C130179FED-TFJ9	2250	18,098	0	
16.000		C130254FED-TFK1	2250	12,558	0	
16.000		C130353FED-TFK3	2250	3,555	0	
16.000		C130835FED-MJ13	2250	29,616	0	
16.000		Federal Seizure(LF141)	2250	1,038,727	0	
16.000		2010DDBX0661	3650	123,800	0	
16.000		2011DNBXK549	3650	203,908	0	
16.000		WSU002168	3650	34,107	0	PT
	Federal Program 16.000 Total			**3,001,496**	**0**	
16.004	Law Enforcement Assistance_narcotics and Dangerous		3650	(2)	0	
	Federal Program 16.004 Total			**(2)**	**0**	
16.017	Sexual Assault Services Program		1030	231,380	226,739	
	Federal Program 16.017 Total			**231,380**	**226,739**	
16.203	Comprehensive Approaches to Sex Offender Managemen		1030	26,587	26,587	
	Federal Program 16.203 Total			**26,587**	**26,587**	
16.523	Juvenile Accountability Block Grants		3000	770,532	620,100	
	Federal Program 16.523 Total			**770,532**	**620,100**	
16.525	Grants to Reduce Domestic Violence, Dating Violenc		3650	89,912	8,753	
	Federal Program 16.525 Total			**89,912**	**8,753**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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
16.540	Juvenile Justice and Delinquency Prevention_alloca		3000	673,673	0	
	Federal Program 16.540 Total			**673,673**	**0**	
16.541	Part E - Developing, Testing and Demonstrating Pro		3600	71,873	0	
	Federal Program 16.541 Total			**71,873**	**0**	
16.548	Title V_delinquency Prevention Program		3000	62,629	0	
	Federal Program 16.548 Total			**62,629**	**0**	
16.550	State Justice Statistics Program for Statistical A		1050	50,694	0	
	Federal Program 16.550 Total			**50,694**	**0**	
16.554	National Criminal History Improvement Program (Nch		2250	352,098	0	
	Federal Program 16.554 Total			**352,098**	**0**	
16.575	Crime Victim Assistance		1030	9,522,950	6,888,131	
	Federal Program 16.575 Total			**9,522,950**	**6,888,131**	
16.576	Crime Victim Compensation		2350	3,881,363	0	
	Federal Program 16.576 Total			**3,881,363**	**0**	
16.580	Edward Byrne Memorial State and Local Law Enforcem	C080195FED-WQA8	2250	2,757	0	PT
	Federal Program 16.580 Total			**2,757**	**0**	
16.585	Drug Court Discretionary Grant Program		3000	53,133	0	
16.585		2010DCBX0097	3650	3,484	0	PT
	Federal Program 16.585 Total			**56,617**	**0**	
16.588	Violence Against Women - Form Grnts		1030	2,791,150	2,418,785	
	Federal Program 16.588 Total			**2,791,150**	**2,418,785**	
16.590	Grants to Encourage Arrest Policies and Enforcemen		1030	492,178	398,380	
	Federal Program 16.590 Total			**492,178**	**398,380**	
16.593	Residential Substance Abuse Treatment for State Pr		1030	10,216	0	
16.593			3000	169,030	163,840	
	Federal Program 16.593 Total			**179,246**	**163,840**	
16.606	State Criminal Alien Assistance Program		3100	1,557,951	0	
	Federal Program 16.606 Total			**1,557,951**	**0**	
16.609	Community Prosecution and Project Safe Neighborhoo		1030	66,729	66,729	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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 16.609 Total			**66,729**	**66,729**	
16.710	Pub Safety Partn & Comm Policing Grnt		3650	12,462	0	
16.710		290F619-01	3700	13,309	0	PT
	Federal Program 16.710 Total			**25,771**	**0**	
16.727	Enforcing Underage Drinking Laws Program		3000	472,917	219,787	
	Federal Program 16.727 Total			**472,917**	**219,787**	
16.730	Reduction and Prevention of Children's Exposure To		3650	181,694	142,884	
16.730		9920110126	3650	34,013	0	PT
16.730		115314-G002990	6990	142,523	0	PT
	Federal Program 16.730 Total			**358,230**	**142,884**	
16.735	Protecting Inmates and Safeguarding Communities DI		1030	4,274	4,274	
	Federal Program 16.735 Total			**4,274**	**4,274**	
16.741	Forensic DNA Backlog Reduction Program		2250	1,095,533	0	
16.741		C120390FED AM02	3600	222,712	0	PT
	Federal Program 16.741 Total			**1,318,245**	**0**	
16.742	Paul Coverdell Forensic Sciences Improvement Grant		1030	2,345	0	
16.742			2250	392,537	0	
	Federal Program 16.742 Total			**394,882**	**0**	
16.745	Criminal and Juvenile Justice and Mental Health Co		3100	2,532	0	
	Federal Program 16.745 Total			**2,532**	**0**	
16.746	Capital Case Litigation		0560	4,385	0	
16.746			3600	74,789	0	
	Federal Program 16.746 Total			**79,174**	**0**	
16.750	Support for ADAM Walsh Act Implementation Grant Pr		1030	55,275	55,275	
	Federal Program 16.750 Total			**55,275**	**55,275**	
16.754	Harold Rogers Prescription Drug Monitoring Program		3030	272,667	0	
	Federal Program 16.754 Total			**272,667**	**0**	
16.801A	ARRA - State Victim Assist Formula Grant		1030	27,616	25,966	
	Federal Program 16.801A Total			**27,616**	**25,966**	
16.808	ARRA - Edwd Byrne Mem Comp Grant		2250	83,460	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 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 16.808 Total			**83,460**	**0**	
16.812	Second Chance Act Prisoner Reentry Initiative		3000	26,395	0	
16.812			3100	59,334	0	
	Federal Program 16.812 Total			**85,729**	**0**	
16.816	John R Justice Prosecutors & Defenders Inc Act		3400	101,618	95,366	
	Federal Program 16.816 Total			**101,618**	**95,366**	
16.999	Department of Justice - Undetermined		1170	481,509	0	
	Federal Program 16.999 Total			**481,509**	**0**	
	Dept of Justice Total			**27,645,712**	**11,361,596**	

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	164-129F-2049/466169	3600	3,200	0	
17.000		TC-22490-11-60-A-53	6990	601,962	0	
17.000		TC-22520	6990	310,876	0	PT
	Federal Program 17.000 Total			**916,038**	**0**	
17.002	Labor Force Statistics		2350	364,105	0	
17.002			5400	2,545,741	0	
	Federal Program 17.002 Total			**2,909,846**	**0**	
17.225	Unemployment Insurance		5400	2,118,941,437	0	
	Federal Program 17.225 Total			**2,118,941,437**	**0**	
17.225A	ARRA - Unemployment Insurance		5400	17,615	0	
	Federal Program 17.225A Total			**17,615**	**0**	
17.235	Senior Comm Service Emply Pgm		3000	1,244,935	1,135,783	
	Federal Program 17.235 Total			**1,244,935**	**1,135,783**	
17.245	Trade Adjustment Assistance		5400	9,616,566	0	
	Federal Program 17.245 Total			**9,616,566**	**0**	
17.257	One-Stop Career Center Initiative		5400	405,838	0	
	Federal Program 17.257 Total			**405,838**	**0**	
17.260A	ARRA - WIA Disclocated Workers		5400	140,702	131,823	
17.260A		SKS13	6990	10,787	0	PT
	Federal Program 17.260A Total			**151,489**	**131,823**	
17.261	WIA Pilots, Demonstrations, and Research Projects		3000	867,994	590,337	
17.261			3540	646,079	0	
17.261			5400	31,565	0	
17.261			6990	520,526	0	
17.261		11/190-VAR	6990	135,372	0	PT
	Federal Program 17.261 Total			**2,201,536**	**590,337**	
17.268	H-1b Job Training Grants	WFF09C795	3650	(6,633)	0	PT
	Federal Program 17.268 Total			**(6,633)**	**0**	
17.269	Community Based Job Training Grants		6990	2,048,538	0	
17.269		1011-01861A	6990	396,025	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 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 17.269 Total			**2,444,563**	**0**	
17.270	Reintegration of Ex-Offenders	7882	5400	141,801	0	PT
	Federal Program 17.270 Total			**141,801**	**0**	
17.271	Work Opportunity Tax Credit Program (Wotc)		5400	546,327	0	
	Federal Program 17.271 Total			**546,327**	**0**	
17.273	Temporary Labor Certification for Foreign Workers		5400	119,194	0	
	Federal Program 17.273 Total			**119,194**	**0**	
17.274	Youthbuild	YB-19042-09-60-a-583	6990	39,953	0	PT
	Federal Program 17.274 Total			**39,953**	**0**	
17.275	ARRA - Comp Grants for Worker Train		3540	3,967,977	0	
17.275		09-EDC-O-761-YB	6990	67,308	0	PT
17.275		10/304-COM	6990	61,252	0	PT
17.275		11-EDC-X-078-SESP	6990	11,575	0	PT
17.275		11/308-COM	6990	61,607	0	PT
17.275		12-AAP-181	6990	65,181	0	PT
17.275		12-EDC-X-138-SESP	6990	88,800	0	PT
17.275		CCS:SCC-SESP	6990	161,332	0	PT
17.275		WDC-Snohomish County	6990	21,526	0	PT
	Federal Program 17.275 Total			**4,506,558**	**0**	
17.277	Workforce Investment Act (Wia) National Emergency		5400	5,239,562	5,074,818	
	Federal Program 17.277 Total			**5,239,562**	**5,074,818**	
17.282	Trade Adjustment Assist Comm College & Career Trng		6990	7,993,388	0	
17.282		TC-23794-12-60-A-20	6990	178,187	0	PT
	Federal Program 17.282 Total			**8,171,575**	**0**	
17.502	Occupational Safety and Health_susan Harwood Train		3600	14,946	0	
17.502		UW OSP# A68925	3600	4,794	0	PT
17.502		UW OSP# A77367	3600	11,571	0	PT
	Federal Program 17.502 Total			**31,311**	**0**	
17.503	Occupational Safety &health State Prog		2350	7,528,051	0	
	Federal Program 17.503 Total			**7,528,051**	**0**	
17.600	Mine Health and Safety Grants		3700	104,209	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
	Federal Program 17.600 Total			**104,209**	**0**	
17.805	Homeless Veterans Reintegration Project		3050	387,312	0	
	Federal Program 17.805 Total			**387,312**	**0**	
	Dept of Labor Total			**2,165,659,083**	**6,932,761**	

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 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
19.000	State - Contract Number Only Provided	12-SBA-16	3600	59,616	0	PT
19.000		31597.100.001/UWLS	3600	546,085	0	PT
19.000		5654109866PO2001325395	3600	11,832	0	PT
19.000		AID-OAA-A-12-00023	3600	311,584	131,827	
19.000		ORDERPC128067REQ121204	3600	19,054	0	
19.000		PO2000635588 MOD10	3600	12,353	0	PT
19.000		SH1113 TO01 AM03	3600	50,182	0	PT
19.000		SIAPS-2011-003 TO05	3600	19,101	0	PT
19.000		SIAPS-2011-003 TO06	3600	10,359	0	PT
19.000		SIAPS-2011-003 TO07	3600	11,563	0	PT
19.000		SIAPS2011003TO02AM03	3600	12,498	0	PT
19.000		SIAPS2011003TO03AM01	3600	19,036	0	PT
19.000		SIAPS2011003TO04AM02	3600	16,434	0	PT
19.000		SINLEC08CA0009-A003	3600	274,625	0	
19.000		SLMAQM-10-GR-055 A001	3600	1,231	0	
19.000		UW BUD# 665461	3600	118,882	0	PT
19.000		UW BUD# 666167	3600	2,000	0	PT
19.000		UW BUD# 666172	3600	3,180	0	PT
19.000		UW BUD# 666224	3600	2,126	0	PT
19.000		UW BUD# 666235	3600	2,000	0	PT
19.000		UW BUD# 666239	3600	1,990	0	PT
19.000		UW BUD# 666308	3600	2,000	0	PT
19.000		UW-RX2050-958-12-E	3600	16,154	0	PT
19.000		UW-RX2050-988-13-E	3600	17,976	0	PT
19.000		COOP SIZ-100-11-GR070	3700	105,799	0	PT
	Federal Program 19.000 Total			**1,647,660**	**131,827**	
19.009	Academic Exchange Programs - Undergraduate Program		3650	199,507	0	
19.009			6990	1,871,625	0	
19.009		EVT94660-67007	6990	119,774	0	PT
	Federal Program 19.009 Total			**2,190,906**	**0**	
19.010	Academic Exchange Programs - Humphrey Fellowship P	UW BUD# 800400	3600	193,781	0	PT
	Federal Program 19.010 Total			**193,781**	**0**	
19.014	One-Time International Exchange Grant Program	UW BUD# 674143	3600	8	0	PT
19.014			6990	8,610	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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 19.014 Total			**8,618**	**0**	
19.017	Environmental and Scientific Partnerships and Prog		3600	212,275	0	
	Federal Program 19.017 Total			**212,275**	**0**	
19.040	Public Diplomacy Programs		6990	25,134	0	
	Federal Program 19.040 Total			**25,134**	**0**	
19.500	Middle East Partnership Initiative (Mepi)		3600	491,822	0	
	Federal Program 19.500 Total			**491,822**	**0**	
19.501	Public Diplmacy Programs for Afghanistand & Pakist		3650	629	0	
	Federal Program 19.501 Total			**629**	**0**	
19.703	Criminal Justice Systems		3600	1,754,592	0	
	Federal Program 19.703 Total			**1,754,592**	**0**	
	Dept of State Total			**6,525,417**	**131,827**	

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Dept of Transportation

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20.000	DOT - Contract Number Only Provided	DTNH22-09-H-00263	2280	207,636	207,636	
20.000		DTNH22-12-G-00025	2280	4,000	4,000	
20.000		DTNH22-12-H-00153	2280	139,009	0	
20.000		08-C-AM-UW AM021	3600	299	0	
20.000		08500	3600	12,283	0	PT
20.000		101219SB1E TO01 MOD2	3600	22,162	0	PT
20.000		101219SB1E TO02	3600	2,594	0	PT
20.000		12-C-AM-UW AM02	3600	51,407	0	
20.000		12-C-AM-UW AM03	3600	35,291	0	
20.000		12-C-AM-UW AM05	3600	76,314	0	
20.000		12-C-AM-UW-001	3600	38,457	0	
20.000		12-C-AM-UW-AM004	3600	46,666	0	
20.000		276700 MOD03	3600	1,641	0	PT
20.000		7877 MOD02	3600	(5)	0	PT
20.000		8928-S-008 TO01 MOD02	3600	144,375	0	PT
20.000		939844 REV02	3600	(56,892)	0	PT
20.000		DAILEY2811IPA483001	3600	178,175	0	
20.000		DTFH70-08-E00016 AM05	3600	24,425	16,005	
20.000		DTNH22-11-D-00237/0007	3600	25,918	0	PT
20.000		L00002500013TRAC00MOD0	3600	4,832	0	PT
20.000		TOPR110026RR01UW1	3600	2,513	0	PT
20.000		TOPR210026RR02UW1	3600	14,622	0	PT
20.000		UW BUD# 667544	3600	5,450	0	PT
20.000		45119919276	3650	631,942	0	PT
20.000		GF40511	3650	45,156	0	PT
20.000		HR0436	3650	134,315	0	PT
20.000		HR0949A	3650	205,166	0	PT
20.000		WSU000305	3650	12,803	0	PT
20.000		WSU006	3650	1,235	0	PT
	Federal Program 20.000 Total			**2,011,789**	**227,641**	
20.106	Airport Improvement Program		4050	923,522	0	
	Federal Program 20.106 Total			**923,522**	**0**	
20.215	Highway Training and Education	1213	3650	53,075	0	PT
20.215			3700	10,143	0	
20.215			6990	15,000	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Dept of 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
	Federal Program 20.215 Total			**78,218**	**0**	
20.218	National Motor Carrier Safety		2250	4,855,821	0	
20.218			4050	230,607	0	
	Federal Program 20.218 Total			**5,086,428**	**0**	
20.232	Commercial Driver License State Programs		2400	367,013	0	
	Federal Program 20.232 Total			**367,013**	**0**	
20.239	Motor Carrier Research and Technology Programs	425942-19124 MOD03	3600	45,079	0	PT
20.239		425942-19124A	3600	6,750	0	PT
	Federal Program 20.239 Total			**51,829**	**0**	
20.240	Fuel Tax Evasion-Intergovernmental Enforcement Eff		2400	53,578	0	
	Federal Program 20.240 Total			**53,578**	**0**	
20.314	Railroad Development		4050	(41,574)	(41,574)	
	Federal Program 20.314 Total			**(41,574)**	**(41,574)**	
20.319	High Speed Rail Corr & Passenger Rail Cap		4050	12,639,119	12,264,408	
	Federal Program 20.319 Total			**12,639,119**	**12,264,408**	
20.319A	ARRA - High Speed Rail Corr & Passenger Rail Cap		4050	26,674,067	1,838,246	
	Federal Program 20.319A Total			**26,674,067**	**1,838,246**	
20.505	Federal Transit Metropolitan Planning		4050	451,970	78,963	
	Federal Program 20.505 Total			**451,970**	**78,963**	
20.509	Formula Grants for Other Than Urbanized		4050	10,602,365	9,540,173	
	Federal Program 20.509 Total			**10,602,365**	**9,540,173**	
20.509A	ARRA - Formula Grants for Other Than Urbanized		4050	227,243	0	
	Federal Program 20.509A Total			**227,243**	**0**	
20.608	Minimum Penalties for Repeat Offenders for Driving		2280	12,548,643	12,548,643	
	Federal Program 20.608 Total			**12,548,643**	**12,548,643**	
20.614	Nhtsa Discretionary Safety Grants		3600	488,047	7,002	
	Federal Program 20.614 Total			**488,047**	**7,002**	
20.615	E-911 Grant Program		2450	1,464,361	1,374,436	
	Federal Program 20.615 Total			**1,464,361**	**1,374,436**	

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
20.700	Pipeline Safety Program Base Grants		2150	1,196,202	0	
	Federal Program 20.700 Total			**1,196,202**	**0**	
20.701	University Transportation Centers Program		3600	2,066,441	1,137,939	
20.701		KLK722SB001	3650	(81)	0	PT
20.701		UAF100095	3650	4,507	0	PT
20.701		UAF120024	3650	176,133	0	PT
	Federal Program 20.701 Total			**2,247,000**	**1,137,939**	
20.703	Interagency Hazardous Materials Public Sector Trai		2450	256,895	256,833	
	Federal Program 20.703 Total			**256,895**	**256,833**	
20.932	ARRA - Surface Trans Discretionary Grants for Cap		4050	20,190,737	12,300,314	
	Federal Program 20.932 Total			**20,190,737**	**12,300,314**	
20.933	Surface Transportation Infrastructure Disc. Grants		4050	6,442,757	5,197,276	
	Federal Program 20.933 Total			**6,442,757**	**5,197,276**	
	Dept of Transportation Total			**103,960,209**	**56,730,300**	

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
21.000	Department of Treasury - Undetermined	PL112-55:95X1350	1480	254,886	0	PT
	Federal Program 21.000 Total			**254,886**	**0**	
21.008	Low-Income Taxpayer Clinics		3600	104,337	0	
	Federal Program 21.008 Total			**104,337**	**0**	
21.999	Department of Treasury - Undetermined		1030	6,385,845	0	
21.999			1170	1,036,229	0	
	Federal Program 21.999 Total			**7,422,074**	**0**	
	Dept of the Treasury Total			**7,781,297**	**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

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		3100	5,144	0	NC
39.003			4770	92,142	0	NC
39.003			4950	1,170	0	NC
39.003			6990	1,790,644	0	NC
	Federal Program 39.003 Total			**1,889,100**	**0**	
	General Services Administration Total			**1,889,100**	**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

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 MOD06	3600	89,820	0	PT
43.000		08-964 AM09	3600	8,920	0	PT
43.000		0995-S-NB097 AM05	3600	70,569	0	PT
43.000		12-0233	3600	143,690	0	PT
43.000		12006827 A 01 AM01	3600	38,420	0	PT
43.000		1303809 MOD12	3600	5,961	0	PT
43.000		1318943MOD16NNN13D006T	3600	35,959	0	PT
43.000		1318945 MOD15	3600	117,660	0	PT
43.000		1359623 MOD08	3600	39,279	0	PT
43.000		1369586TONNN13D193TMOD	3600	33,091	0	PT
43.000		1375272, MOD07	3600	34,689	0	PT
43.000		1377557 MOD 04	3600	35,207	0	PT
43.000		1420479 MOD06	3600	59,215	0	PT
43.000		1451183	3600	22,091	0	PT
43.000		1458461TONM0710772MOD0	3600	104,092	0	PT
43.000		1459517	3600	41,822	0	PT
43.000		2-1087551 MOD02	3600	19,707	0	PT
43.000		2-1092669	3600	129,800	0	PT
43.000		4-10067-4051 AM15	3600	101,660	0	PT
43.000		435-SC01 MOD04	3600	77,206	0	PT
43.000		46508 MOD01	3600	47,831	0	PT
43.000		51326-9484 AM02	3600	4,950	0	PT
43.000		646 MOD02	3600	6,057	0	PT
43.000		935532 AM06	3600	(15,125)	0	PT
43.000		970344 AM03	3600	17,407	0	PT
43.000		AR9-0015X AM05	3600	5,475	0	PT
43.000		ARO-11014X AM02	3600	4,461	0	PT
43.000		BLO1301 AM05	3600	1,034	0	PT
43.000		GO0-11129B AM02F	3600	1,386	0	PT
43.000		GO1-12118X AM01	3600	262	0	PT
43.000		HST-AR-10945.01-A AM06	3600	9,909	0	PT
43.000		HST-AR-12852.03-A AM01	3600	60,135	0	PT
43.000		HST-GO-11359.02-A AM01	3600	(176)	0	PT
43.000		HST-GO-11580.01-A AM03	3600	14,218	0	PT
43.000		HST-GO-11639.01-A AM01	3600	28,458	0	PT
43.000		HST-GO-11677.09-A AMO2	3600	1,300	0	PT

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

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	HST-GO-11688.01-A AM01	3600	6,073	0	PT
43.000		HST-GO-11718.01-A AM03	3600	679	0	PT
43.000		HST-GO-11719.01-A AM02	3600	(1,015)	0	PT
43.000		HST-GO-11732.02-A	3600	3,169	0	PT
43.000		HST-GO-11986.01-A AM03	3600	37,130	0	PT
43.000		HST-GO-12055.01-A AM04	3600	735,701	0	PT
43.000		HST-GO-12178.01-A	3600	20,002	0	PT
43.000		HST-GO-12180.07-A	3600	15,236	0	PT
43.000		HST-GO-12196.01-A AM02	3600	24,966	0	PT
43.000		HST-GO-12213	3600	22,160	0	PT
43.000		HST-GO-12231.01-A	3600	35,154	0	PT
43.000		HST-GO-12311.06-A	3600	5,115	0	PT
43.000		HST-HF-51273.01-A AM03	3600	66,698	0	PT
43.000		HSTGO1205501AAMEND1	3600	21,565	0	PT
43.000		MA01603 AM05	3600	207,149	0	PT
43.000		MA01604	3600	544	0	PT
43.000		NAS1-99105,AM24	3600	7,218	0	
43.000		NNX-06AI03G	3600	19,281	0	
43.000		NNX07AN75H	3600	(1,726)	0	
43.000		NNX08AD19G SO4	3600	22,254	5,689	
43.000		NNX08AD64G 000004	3600	37,055	0	
43.000		NNX08AJ72G S000004	3600	165,376	0	
43.000		NNX08AN58G S05	3600	91,750	0	
43.000		NNX08AP56G S04	3600	24,801	0	
43.000		NNX08AR30G MOD000007	3600	96,963	0	
43.000		NNX08AR30G S000008	3600	253,453	0	
43.000		NNX08AT73G S05	3600	1	0	
43.000		NNX08AT87G S000007	3600	110,211	0	
43.000		NNX08AU68G MOD04	3600	41,371	24,829	
43.000		NNX08BA58G SUP07	3600	(2,046)	0	
43.000		NNX08BA82H S000003	3600	(252)	0	
43.000		NNX09AC77G S06	3600	69,779	0	
43.000		NNX09AE47G S05	3600	46,979	0	
43.000		NNX09AE65G S02	3600	29,949	0	
43.000		NNX09AH73G S05	3600	223,068	0	
43.000		NNX09AI48G SUPO3	3600	46,310	5,653	

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

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	NNX09AK57G S03	3600	115,766	0	
43.000		NNX09AK84G S04	3600	34,178	0	
43.000		NNX09AK89G S04	3600	192,917	49,314	
43.000		NNX09AL02G S04	3600	109	0	
43.000		NNX09AM73G S000003	3600	13,583	0	
43.000		NNX09AN90H S03	3600	44,724	0	
43.000		NNX09AO22H SUP000002	3600	3,062	0	
43.000		NNX09AU71G S000007	3600	118,517	0	
43.000		NNX09AU73G S000008	3600	156,962	0	
43.000		NNX09AV78G S03	3600	78,775	0	
43.000		NNX10AC88G 000003	3600	94,537	48,210	
43.000		NNX10AE98G S03	3600	98,620	0	
43.000		NNX10AF48A	3600	137,698	0	
43.000		NNX10AG04G S04	3600	316,814	120,807	
43.000		NNX10AG51G S02	3600	133,602	53,980	
43.000		NNX10AG87G S04	3600	171,873	104,866	
43.000		NNX10AH70G S03	3600	151,900	0	
43.000		NNX10AI89G S03	3600	319,806	0	
43.000		NNX10AK64H S000004	3600	705,166	301,815	
43.000		NNX10AM63G	3600	2,308	0	
43.000		NNX10AQ33G S03	3600	111,736	0	
43.000		NNX10AQ90G S05	3600	73,407	0	
43.000		NNX10AR01G SUP03	3600	25,039	0	
43.000		NNX10AV15G SUP02	3600	14,981	0	
43.000		NNX11AC23G SUP02	3600	33,840	0	
43.000		NNX11AO63G S000004	3600	66,695	0	
43.000		NNX11AQ61H S01	3600	37,356	0	
43.000		NNX11TF74P AM01	3600	24,000	0	
43.000		NNX12AH14G S01	3600	50,743	0	
43.000		PO# 37141	3600	3,817	0	PT
43.000		PY-2426-22727-D AM23	3600	60,055	0	PT
43.000		RC508-G1 AM01	3600	7,729	0	PT
43.000		RSA 1434690	3600	11,176	0	PT
43.000		RSA1368471MOD02NM07100	3600	43,799	0	PT
43.000		SMST01601 AM.05	3600	152,838	0	PT
43.000		SMST01601 AM04	3600	3,135	0	PT

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

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	SUBCONTRACT# 1469582	3600	2,266	0	PT
43.000		SVO80010NNX09AT12GC01	3600	(385)	0	
43.000		UW BUD# 663172	3600	130,168	0	PT
43.000		909046	3650	90,257	0	PT
43.000		SUB2011003	3650	2,010	0	PT
	Federal Program 43.000 Total			**7,714,140**	**715,163**	
43.001	Aerospace Education Services Program		3600	6,300,676	969,015	
43.001		240-1095070-57589	3600	14,750	0	PT
43.001		4500001053	3600	26,400	0	PT
43.001		510 AM01	3600	53,596	0	PT
43.001		510 AM08	3600	83,987	0	PT
43.001		AR2-13005X AM01	3600	22,453	0	PT
43.001		AR2-13007X	3600	45,192	0	PT
43.001		AR2-13008X	3600	28,484	0	PT
43.001		HST-AR-12619.07-A	3600	32,194	0	PT
43.001		HST-AR-12622.01-A	3600	14,541	0	PT
43.001		HST-AR-12628.01-A	3600	29,930	0	PT
43.001		HST-AR-12656.05-A	3600	10,555	0	PT
43.001		HST-AR-12834.01-A	3600	4,053	0	PT
43.001		HST-AR-12853.04-A	3600	10,558	0	PT
43.001		HST-EO-12512.06-A	3600	27,852	0	PT
43.001		HST-GO-12181.05-A	3600	16,607	0	PT
43.001		HST-GO-12581.06-A	3600	2,170	0	PT
43.001		HST-GO-12605.06-A	3600	16,508	0	PT
43.001		HST-GO-12925 06-A	3600	4,077	0	PT
43.001		PO# 56043	3600	120,185	0	PT
43.001			3650	205,784	41,730	
43.001		361090335	3650	57,100	0	PT
43.001		627619776	3650	2,547	0	PT
43.001		GNK013SB001	3650	44,030	0	PT
43.001		WSU001261	3650	130,610	0	PT
43.001		N/A	3700	1,915	0	PT
43.001			3750	176,661	0	
43.001		P502180	3800	17,685	0	PT
	Federal Program 43.001 Total			**7,501,100**	**1,010,745**	

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
43.002	Technology Transfer	1548572 MOD01	3600	55,227	0	PT
43.002		60016653RF01120294AM07	3600	81,930	0	PT
	Federal Program 43.002 Total			**137,157**	**0**	
43.008	Education		3600	57,261	0	
	Federal Program 43.008 Total			**57,261**	**0**	
	National Aeronautics & Space Admin Total			**15,409,658**	**1,725,908**	

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Federal Programs Not Clustered

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	1120959-214342 AM4	3600	11,347	0	PT
47.000		C44044LAM02	3600	(3,160)	0	PT
47.000		C44068L AM003	3600	24,059	0	PT
47.000		GSTCN010652UWAPLAM2	3600	819,804	0	PT
47.000		IIA-1135462-004	3600	133,882	0	
47.000		PO# 367199	3600	4,313	0	PT
47.000		R5661721073996247834AM	3600	7,731	0	PT
47.000		UW BUD# 664970	3600	17,756	0	PT
47.000		UW BUD# 666085	3600	297	0	PT
47.000		415909G	3650	26,678	0	PT
47.000		75ADV1090486	3650	17,762	0	PT
47.000		CCF1218885	3650	75,035	0	
47.000		DBI0605016	3650	43,196	0	
47.000		DBI1332362	3650	3,689	0	
47.000		IOS1249298	3650	176,268	0	
47.000		WSU002349	3650	7,179	0	PT
	Federal Program 47.000 Total			**1,365,836**	**0**	
47.999	Nsf - Undetermined		3600	116,264	0	
	Federal Program 47.999 Total			**116,264**	**0**	
	National Science Foundation Total			**1,482,100**	**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-11-I-0043	3700	55,982	0	
	Federal Program 59.000 Total			**55,982**	**0**	
59.037	Small Business Development Centers		3650	2,434,515	587,200	
	Federal Program 59.037 Total			**2,434,515**	**587,200**	
59.050	Prime Technical Assistance		6990	65,907	0	
	Federal Program 59.050 Total			**65,907**	**0**	
59.061	State Trade & Export Promotion Pilot Grant Program		1030	1,735,912	14,050	
	Federal Program 59.061 Total			**1,735,912**	**14,050**	
	Small Business Administration Total			**4,292,316**	**601,250**	

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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	70223	3650	4,606	0	
	Federal Program 62.000 Total			**4,606**	**0**	
	Tennessee Valley Authority Total			**4,606**	**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	518-D15030 MODPO1	3600	8,458	0	
64.000		518-D25014 MODPO2	3600	1,762	0	
64.000		636-D15081	3600	9,143	0	
64.000		663-C21898	3600	14,645	0	
64.000		663-C21898 MOD01	3600	29,289	0	
64.000		663-C21994	3600	20,773	0	
64.000		663-C31556 AM12	3600	56,807	0	
64.000		663-C31616 MOD01	3600	25,662	0	
64.000		663-C31643	3600	54,536	0	
64.000		663-D22042	3600	39,500	0	
64.000		663-D32040	3600	36,855	0	
64.000		663/151	3600	(5,603)	0	
64.000		663D96125VA260P0477	3600	(10,345)	0	
64.000		C31316	3600	42,456	0	
64.000		CROSSIPAPO663D32005	3600	21,575	0	
64.000		GS08T11BPC0245	3600	78,217	0	
64.000		IPA RASKIND	3600	68,318	0	
64.000		PAULEYIPAPO663D32008	3600	8,724	0	
64.000		PO # 663-C21465	3600	(1,443)	0	
64.000		PO #518-C11221	3600	11,043	0	
64.000		PO VA663-C21916	3600	2,110	0	
64.000		PO VA663-C31603	3600	6,774	0	
64.000		PO# 518C25245	3600	9,772	0	
64.000		PO# 663 D 32058	3600	12,633	0	
64.000		PO# 663C31371	3600	37,095	0	
64.000		PO# 663C31372	3600	20,972	0	
64.000		PO# 663D20198	3600	10,515	0	
64.000		PO# 663D32001	3600	39,023	0	
64.000		PO# 663D32009	3600	2,276	0	
64.000		PO# 663D32010	3600	79,669	0	
64.000		PO# 663D32012	3600	95,794	0	
64.000		PO# 663D32013	3600	12,840	0	
64.000		PO# 663D32019	3600	17,805	0	
64.000		PO# 663D32020	3600	86,203	0	
64.000		PO# 663D32022	3600	1,233	0	
64.000		PO# 663D32023	3600	24,199	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	PO# 663D32024	3600	68,678	0	
64.000		PO# 663D32025	3600	71,182	0	
64.000		PO# 663D32031	3600	19,887	0	
64.000		PO# 663D32032	3600	69,932	0	
64.000		PO# 663D32036	3600	59,480	0	
64.000		PO# 663D32037	3600	64,423	0	
64.000		PO# 663D32038	3600	1,967	0	
64.000		PO# 663D32039	3600	(18,664)	0	
64.000		PO# 663D32040	3600	36,855	0	
64.000		PO# 663D32041	3600	26,135	0	
64.000		PO# 663D32043	3600	57,872	0	
64.000		PO# 663D32046	3600	2,966	0	
64.000		PO# C31313	3600	115,467	0	
64.000		PO#VA663-C21896	3600	68,767	0	
64.000		PO#VA663-C31584	3600	93,765	0	
64.000		UW BUD# 664515	3600	66,751	0	PT
64.000		V636SM1628	3600	10,960	0	PT
64.000		V663-C00067	3600	(3,511)	0	
64.000		V663P-5711 S/A 1	3600	(29,046)	0	
64.000		VA241-12-C-0199	3600	11,761	0	
64.000		VA24312P1211PO526C2032	3600	11,079	0	
64.000		VA260-12-P-0159	3600	12,343	0	
64.000		VA260-12-P-0651	3600	17,000	0	
64.000		VA260-12-P-1069	3600	57,256	0	
64.000		VA260-12-P-1070	3600	168,924	0	
64.000		VA260-12-P-1070 P00002	3600	327,752	0	
64.000		VA260-12-P-1071	3600	35,257	0	
64.000		VA260-12-P-1074	3600	211,360	0	
64.000		VA260-12-P-1078 P00001	3600	101,121	0	
64.000		VA260-12-P-1081	3600	44,152	0	
64.000		VA260-12-R-0484	3600	327,159	0	
64.000		VA260-13-C-0059	3600	23,558	0	
64.000		VA260-13-C-0060	3600	24,487	0	
64.000		VA260-13-C-0060 AM04	3600	110,173	0	
64.000		VA260-P-0188 AMP00001	3600	32,848	0	
64.000		VA260-P-0704	3600	(364)	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

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	VA260-P-0716 AM03	3600	2,472	0	
64.000		VA260-P-0718,P00003	3600	39,077	0	
64.000		VA260-P-0875 MOD04	3600	42,408	0	
64.000		VA260-P-0931 P00001	3600	77,600	0	
64.000		VA260-P-0931 P00004	3600	63,322	0	
64.000		VA26012P1072663C21893	3600	27,495	0	
64.000		VA26012P1082663C21905	3600	33,559	0	
64.000		VA26012P1082663C31630	3600	42,480	0	
64.000		VA26013C0024POC31787	3600	44,985	0	
64.000		VA26013C0067PO663C3176	3600	40,380	0	
64.000		VA26013C0081PO663C3177	3600	41,657	0	
64.000		VA26013C0082PO663C3176	3600	14,645	0	
64.000		VA26013C0083PO663C3177	3600	44,256	0	
64.000		VA260P0397PO663C00024	3600	(288,766)	0	
64.000		VA260P0718663D22009AM0	3600	5,583	0	
64.000		VA260P0736VA663D06022	3600	31,134	0	
64.000		VA260P0741VA663D22002	3600	19,029	0	
64.000		VA260P0741VA663D34012	3600	53,903	0	
64.000		VA260P0743VA663D22018	3600	(13,817)	0	
64.000		VA260P0753663D22010	3600	30,383	0	
64.000		VA260P0871VA663D22006A	3600	15,179	0	
64.000		VA260P0873PO663D22004	3600	2,958	0	
64.000		VA260P0873POVA663D3400	3600	8,582	0	
64.000		VA260P0874P0663D22005	3600	4,118	0	
64.000		VA663-C21522	3600	(11,551)	0	
64.000		VA663-C21785	3600	8,719	0	
64.000		VA663-C21894 MOD02	3600	53,382	0	
64.000		VA663-C21995 P00001	3600	88,513	0	
64.000		VA663-D34024	3600	25,194	0	
64.000		VA663C00424VA260P0651A	3600	(2,903)	0	
64.000		VA663C21893VA26012P107	3600	79,117	0	
64.000		VA663C31601VA26012P107	3600	73,414	0	
64.000		YARNYKHIPAPO663D32011	3600	12,948	0	
	Federal Program 64.000 Total			**3,978,472**	**0**	
64.012	Veterans Prescription Service		3050	166,297	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

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 64.012 Total			**166,297**		**0**
64.014	Veterans State Domiciliary Care		3050	107,500		0
	Federal Program 64.014 Total			**107,500**		**0**
64.015	Veterans State Nursing Home Care		3050	21,225,422		0
	Federal Program 64.015 Total			**21,225,422**		**0**
64.024	VA Homeless Providers Grant and Per Diem Program		3050	794,205		0
	Federal Program 64.024 Total			**794,205**		**0**
64.027	ARRA - Post 911 Veterans Educational Assistance		6990	2,067,884		0
	Federal Program 64.027 Total			**2,067,884**		**0**
64.101	Burial Expenses Allowance for Veterans		3050	261,966		0
	Federal Program 64.101 Total			**261,966**		**0**
64.110	Veterans Dependency and Indemnity Compensation For		6990	1,540		0
	Federal Program 64.110 Total			**1,540**		**0**
64.115	Veterans Information and Assistance		3050	8,437		0
	Federal Program 64.115 Total			**8,437**		**0**
64.116	Vocational Rehabilitation for Disabled Veterans		6990	778		0
	Federal Program 64.116 Total			**778**		**0**
64.117	Survivors and Dependents Educational Assistance		6990	4,293		0
	Federal Program 64.117 Total			**4,293**		**0**
64.124	All-Volunteer Force Educational Assistance		3400	274,224		0
64.124			3540	163,713		0
64.124			6990	2,634		0
	Federal Program 64.124 Total			**440,571**		**0**
64.999	Veterans Affairs - Undetermined		3600	1,339,261		0
64.999			6990	1,530,384		0
	Federal Program 64.999 Total			**2,869,645**		**0**
	Department of Veterans Affairs Total			**31,927,010**		**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

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 AM06	3600	186,921	0	PT
66.000		D39477D AM01	3600	12,123	0	PT
66.000		EP117000239	3650	99,468	0	
66.000		GS-00F-0045P	3650	9,028	0	PT
66.000		WSU000847	3650	3,982	0	PT
66.000		WSU002282	3650	12,021	0	PT
	Federal Program 66.000 Total			**323,543**	**0**	
66.001	Air Pollution Control Program Support	C912	3650	11,644	0	PT
	Federal Program 66.001 Total			**11,644**	**0**	
66.032	State Indoor Radon Grants		3030	38,442	0	
	Federal Program 66.032 Total			**38,442**	**0**	
66.034	Surveys, Studies, Research, Investigations, Demons		3030	108,350	0	
	Federal Program 66.034 Total			**108,350**	**0**	
66.039	National Clean Diesel Funding Assist		4610	56,140	0	
	Federal Program 66.039 Total			**56,140**	**0**	
66.040	State Clean Diesel Grant Program		4610	63,918	0	
	Federal Program 66.040 Total			**63,918**	**0**	
66.120	Puget Sound Watershed Management Assistance	ORGU2181ACCT741190ACTU	3600	22,494	0	PT
66.120		UW BUD# 639923	3600	44,730	0	PT
66.120		C20110493	3650	2,287	0	PT
	Federal Program 66.120 Total			**69,511**	**0**	
66.122	Puget Sound Action Agenda Outreach, Edu Steward Su		4780	1,044,808	0	
	Federal Program 66.122 Total			**1,044,808**	**0**	
66.123	Ps Action Agenda: Tech Investigations & Implement		3030	2,605,204	1,260,025	
66.123			3600	1,106,734	0	
66.123		12-1212	3600	19,985	0	PT
66.123		C1200219	3600	6,291	0	PT
66.123		C1300039	3600	71,418	0	PT
66.123		G1300035	3600	4,684	0	PT
66.123		WA-S-110210-105-0	3600	10,761	0	PT
66.123			4610	6,084,479	0	
66.123		2012-8-CTP	4610	3,488	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

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	PC-00J28401-0	4610	1,257	0	PT
66.123		PC-00J29801-0	4610	97,346	0	PT
66.123			4770	4,082,875	0	
66.123			4780	2,949,990	0	
	Federal Program 66.123 Total			**17,044,512**	**1,260,025**	
66.202	Congressionally Mandated Projects	EPA83438801-340 AM0A	3600	(198)	0	PT
66.202			4610	20,817	0	
	Federal Program 66.202 Total			**20,619**	**0**	
66.418	Construction Grants for Wastewater Treatmen		4610	16,757	0	
	Federal Program 66.418 Total			**16,757**	**0**	
66.419	Water Pollution Control State, Interstate, and Tri		3030	110,486	0	
66.419			4610	541,082	0	
	Federal Program 66.419 Total			**651,568**	**0**	
66.432	State Public Water System Supervision		3030	2,694,386	7,191	
	Federal Program 66.432 Total			**2,694,386**	**7,191**	
66.436	Surveys, Studies, Investigations, Demonstrations,		4610	32,948	0	
	Federal Program 66.436 Total			**32,948**	**0**	
66.454	Water Quality Mgmt Planning		4610	248,000	0	
	Federal Program 66.454 Total			**248,000**	**0**	
66.456	National Estuary Program	2012-74	3600	33,817	0	PT
66.456		IAA C1200208	3600	12,157	0	PT
66.456		IAC 2011-14AM02	3600	(220)	0	PT
66.456			4610	478,519	0	
66.456			4780	790,210	0	
	Federal Program 66.456 Total			**1,314,483**	**0**	
66.458	Cap Grnts for Clean Water ST Revolving Funds		4610	48,283,476	0	
	Federal Program 66.458 Total			**48,283,476**	**0**	
66.458A	ARRA - Cap Grnts for Clean Water ST Revolving Fund		4610	1,540,944	0	
	Federal Program 66.458A Total			**1,540,944**	**0**	
66.460	Nonpoint Source Implementation Grants		4610	3,019,521	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

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 66.460 Total			**3,019,521**	**0**	
66.461	Regional Wetland Program Development Grants		4610	80,809	0	
66.461			4900	122,186	0	
	Federal Program 66.461 Total			**202,995**	**0**	
66.468	Cap Grants for Drink Water State Rev		3030	28,631,738	424,579	
	Federal Program 66.468 Total			**28,631,738**	**424,579**	
66.468A	ARRA - Cap Grants for Drink Water State Rev		3030	3,454,099	0	
	Federal Program 66.468A Total			**3,454,099**	**0**	
66.472	Beach Monitoring and Notification Program Implemen	C1200251	3600	5,168	0	PT
66.472			4610	273,058	0	
	Federal Program 66.472 Total			**278,226**	**0**	
66.510	Surveys, Studies, Investigations and Special Purpo		3600	39,727	0	
	Federal Program 66.510 Total			**39,727**	**0**	
66.516	P3 Award: National Student Design Competition For		3600	13,154	0	
	Federal Program 66.516 Total			**13,154**	**0**	
66.517	Regional Applied Research Efforts (Rare)		3650	19,421	0	
	Federal Program 66.517 Total			**19,421**	**0**	
66.605	Performance Partnership Grants	C794	3650	82,107	0	PT
66.605			4610	10,522,449	0	
	Federal Program 66.605 Total			**10,604,556**	**0**	
66.608	Environmental Information Exchange Network Grant P		4610	303,091	0	
66.608			4670	115,987	68,279	
	Federal Program 66.608 Total			**419,078**	**68,279**	
66.612	Surveys, Studies, Investigations, Training Demonst	TRI-GR3-2012	3800	8,553	0	PT
	Federal Program 66.612 Total			**8,553**	**0**	
66.700	Consolidated Pesticide Enforcement Cooperative Agr		4950	603,645	0	
	Federal Program 66.700 Total			**603,645**	**0**	
66.707	Tsca Title Iv State Lead Grants Certification of L		1030	276,556	0	
	Federal Program 66.707 Total			**276,556**	**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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Federal Programs Not Clustered

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
66.708	Pollution Prevention Grants Program		4610	323,303	0	
	Federal Program 66.708 Total			**323,303**	**0**	
66.714	Pesticide Environmental Stewardship Regional Grant		3650	21,157	0	
	Federal Program 66.714 Total			**21,157**	**0**	
66.716	Research, Development, Monitoring, Public Educatio		3030	244	0	
66.716			3650	85,066	0	
	Federal Program 66.716 Total			**85,310**	**0**	
66.801	Hazardous Waste Management State Program Support		4610	1,720,550	0	
	Federal Program 66.801 Total			**1,720,550**	**0**	
66.802	Superfund State Political Subdivision & Ind		4610	194,912	0	
	Federal Program 66.802 Total			**194,912**	**0**	
66.804	State and Tribal Underground Storage Tanks Program		4610	560,517	0	
	Federal Program 66.804 Total			**560,517**	**0**	
66.805	Leaking Underg Stor Tank Trust Fund		4610	1,013,086	0	
	Federal Program 66.805 Total			**1,013,086**	**0**	
66.808	Solid Waste Management Assistance Grants		3030	37,562	0	
	Federal Program 66.808 Total			**37,562**	**0**	
66.809	Superfund State and Indian Tribe CORE Program Coop		4610	112,500	0	
	Federal Program 66.809 Total			**112,500**	**0**	
66.814	Brownfields Training, Research, and Technical Assi	S11209	3650	3,027	0	PT
	Federal Program 66.814 Total			**3,027**	**0**	
66.817	State and Tribal Response Program Grants		4610	1,166,234	0	
	Federal Program 66.817 Total			**1,166,234**	**0**	
66.818	Brownfields Assess & Cleanup Coop Agmt		1030	85,357	23,673	
	Federal Program 66.818 Total			**85,357**	**23,673**	
66.818A	ARRA - Brownfields Assess & Cleanup Coop Agmt		1030	14,821	0	
	Federal Program 66.818A Total			**14,821**	**0**	
66.940	Environmental Policy and State Innovation Grants		4610	39,347	0	
	Federal Program 66.940 Total			**39,347**	**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

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
66.951	Environmental Education Grants		3500	26,713	15,798	
	Federal Program 66.951 Total			**26,713**	**15,798**	
	Environmental Protection Agency Total			**126,539,714**	**1,799,545**	

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

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		6990	8,534	0	
	Federal Program 77.006 Total			**8,534**	**0**	
77.007	U.S. Nuclear Regulatory Commission Minority Servin		6990	41,439	0	
	Federal Program 77.007 Total			**41,439**	**0**	
77.008	U.S. Nuclear Regulatory Commission Scholarship And		6990	77,693	0	
	Federal Program 77.008 Total			**77,693**	**0**	
	Nuclear Regulatory Commission Total			**127,666**	**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 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	00054921	1030	1,858,943	1,484,723	
81.000		0000716165	3600	(432)	0	PT
81.000		00052791	3600	(5)	0	
81.000		00054022 MOD01	3600	19,076	0	
81.000		00054439	3600	75,532	0	
81.000		00055454	3600	82,679	0	
81.000		00055905	3600	78,407	0	
81.000		00056906	3600	125,706	0	
81.000		00058849	3600	216,059	0	
81.000		00058850	3600	229,114	0	
81.000		00059750	3600	25,827	0	PT
81.000		00102644	3600	249,450	0	PT
81.000		1038388	3600	11,393	0	PT
81.000		1038388 MOD06	3600	2,200	0	PT
81.000		113484	3600	71,440	0	PT
81.000		117744MOD04	3600	3,235	0	PT
81.000		125454-1	3600	47,806	0	PT
81.000		156075 MOD03	3600	9,111	0	PT
81.000		156079 MOD04	3600	3,641	0	PT
81.000		170669 MOD04	3600	55,776	0	PT
81.000		172543 AM01	3600	59,952	0	PT
81.000		182280 MOD01	3600	25,924	0	PT
81.000		184391 MO01 REV01	3600	6,193	0	PT
81.000		188680-1 MOD02	3600	73,894	0	PT
81.000		194961	3600	37,102	0	
81.000		21701 MOD11	3600	71,756	0	PT
81.000		218388 MOD02	3600	128,925	0	
81.000		2F-31381 MOD01	3600	58,827	0	PT
81.000		2F-31622 MOD04	3600	47,331	0	PT
81.000		3481-4700190350	3600	38,657	0	PT
81.000		3481-4700190350 AM01	3600	62,302	0	PT
81.000		4000093555 M0D07	3600	246,284	0	PT
81.000		45809 AM02	3600	622,244	0	PT
81.000		55490	3600	235,655	0	
81.000		57195	3600	70,036	0	
81.000		58847	3600	33,722	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	59002	3600	148,906	0	
81.000		59431	3600	167,139	0	
81.000		61661	3600	282,941	0	PT
81.000		6700882MOD17	3600	626,137	0	PT
81.000		75501TO184610 MOD02	3600	23,277	0	
81.000		889186-874J AM08	3600	68,050	0	PT
81.000		A45221 AM06	3600	14,134	0	PT
81.000		AC819890O CO01	3600	8,521	0	PT
81.000		AGG-2-22256-01 MOD02	3600	45,784	0	PT
81.000		B598717 MOD02	3600	33,697	0	PT
81.000		CONTRACT96824MOD04MA75	3600	243,779	0	PT
81.000		GO-DE-005313-07	3600	161,218	0	PT
81.000		MASTER75501TO80477MOD0	3600	(132)	0	PT
81.000		PO 172497 MOD02	3600	136,011	0	PT
81.000		PO 608495	3600	42,848	0	PT
81.000		PO#193395 MOD03	3600	136,138	0	
81.000		T.O. 152883 MOD01	3600	531	0	PT
81.000		TASK ORDER 206759	3600	50,241	0	
81.000		TASKORDER161937MOD02	3600	19,797	0	PT
81.000		TO #204247	3600	8,495	0	PT
81.000		TO #206194	3600	14,624	0	
81.000		TO 108989 MOD04	3600	35,741	0	PT
81.000		TO 135292 MOD05	3600	167,044	0	PT
81.000		TO 150819	3600	5,237	0	PT
81.000		TO 208544	3600	14,424	0	
81.000		TO# 153266	3600	35,313	0	PT
81.000		TO#177999	3600	39,701	0	PT
81.000		TO129343AM02MASTER7550	3600	1,480	0	
81.000		TO135319MOD06MA75501	3600	63,304	0	PT
81.000		TO147338MASTER75501	3600	10	0	PT
81.000		TO160891MSTR75501MOD02	3600	50,435	0	PT
81.000		TO178887 MOD01	3600	15,886	0	PT
81.000		TO190627 MOD01	3600	32,159	0	
81.000		UW BUD# 664458	3600	(11,692)	0	PT
81.000		UW BUD# 807280	3600	38,620	0	PT
81.000		UW BUD# 807394	3600	49,533	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 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	01019W01062	3650	93,147	0	PT
81.000		104976	3650	32,651	0	PT
81.000		1072147	3650	35,960	0	PT
81.000		109061	3650	44,220	0	PT
81.000		109822	3650	89,567	0	PT
81.000		109823	3650	46,292	0	PT
81.000		110613	3650	10,388	0	PT
81.000		110804	3650	68,353	0	PT
81.000		118074	3650	169,856	0	PT
81.000		120402	3650	63,614	0	PT
81.000		1225319	3650	12,674	0	PT
81.000		1233946	3650	10,948	0	PT
81.000		123751	3650	27,073	0	PT
81.000		1245157	3650	10,481	0	PT
81.000		126553	3650	180,142	0	PT
81.000		127427	3650	111,620	0	PT
81.000		130236	3650	1,901	0	PT
81.000		131023	3650	60,860	0	PT
81.000		1316643	3650	11,225	0	PT
81.000		132925	3650	1,787	0	PT
81.000		137572	3650	4,085	0	PT
81.000		14002	3650	365	0	PT
81.000		140227	3650	(97)	0	PT
81.000		142104	3650	30,358	0	PT
81.000		142361	3650	66,294	0	PT
81.000		1511WSU01	3650	(2,619)	0	PT
81.000		154955	3650	56,585	0	PT
81.000		1625878	3650	12,793	0	PT
81.000		162817	3650	48,077	0	PT
81.000		163232	3650	5,997	0	PT
81.000		166705	3650	17,401	0	PT
81.000		169039	3650	15,263	0	PT
81.000		170586	3650	3,469	0	PT
81.000		171377	3650	106,583	0	PT
81.000		172660	3650	35,393	0	PT
81.000		172682	3650	34,735	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

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	179251	3650	175	0	PT
81.000		179325	3650	9,824	0	PT
81.000		182	3650	11,658	0	PT
81.000		183397	3650	10,883	0	PT
81.000		193650	3650	29,848	0	PT
81.000		193788	3650	28,340	0	PT
81.000		195514	3650	7,386	0	PT
81.000		195572	3650	26,841	0	PT
81.000		198288	3650	13,078	0	PT
81.000		201044	3650	17,056	0	PT
81.000		203649	3650	32,168	0	PT
81.000		203920	3650	4,932	0	PT
81.000		21	3650	36,692	0	PT
81.000		268378	3650	24,216	0	PT
81.000		270031SUBWSU5418EERE	3650	1,340,535	0	PT
81.000		400112928	3650	218,289	0	PT
81.000		4792600109	3650	92,986	0	PT
81.000		50029	3650	981,266	92,302	
81.000		51419	3650	12,691	0	PT
81.000		55415	3650	(13)	0	
81.000		56026	3650	1,342	0	
81.000		56811	3650	(1)	0	
81.000		57334	3650	(135)	0	PT
81.000		57666	3650	45,283	0	
81.000		58740	3650	30,010	0	
81.000		58988	3650	5,004	0	
81.000		59555	3650	91,384	35,570	
81.000		59650	3650	162,354	68,210	
81.000		59987	3650	121,310	0	
81.000		651102	3650	27,735	0	PT
81.000		6979775	3650	41,381	0	PT
81.000		7049758	3650	6,821	0	PT
81.000		75387	3650	50,376	0	PT
81.000		8446100110	3650	111,758	0	PT
81.000		93547	3650	11,291	0	PT
81.000		9W011WAPA0201	3650	3,385	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

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	AC695370	3650	41,858	0	PT
81.000		B595680	3650	8,763	0	PT
81.000		DEAF6510WA45295	3650	354,262	0	
81.000		ER15820	3650	101,926	0	
81.000		ER20225	3650	229,344	0	
81.000		MIOEIPA003	3650	317,873	0	
81.000		OSE1018	3650	243,566	0	PT
81.000		OSE1145	3650	66,093	0	PT
81.000		RELEASE00020	3650	383,825	0	PT
81.000		RELEASE00022	3650	143,681	0	PT
81.000		RELEASE00023	3650	49,640	0	PT
81.000		SC0001815	3650	112,354	0	
81.000		WSU001294	3650	35,588	0	PT
81.000		WSU002053	3650	5,173	0	PT
81.000		WSU002135	3650	16,594	0	PT
81.000		WSU002136	3650	8,821	0	PT
81.000		WSU002255	3650	26,464	0	PT
81.000		XFA11165201	3650	54,084	0	PT
81.000		XGB22220401	3650	53,423	0	PT
81.000		ZFT04064401	3650	413,060	0	PT
81.000		00013345	3700	1	0	
81.000		1994-043-00	3700	178,907	0	PT
81.000		2007-246-00 #47330	3700	18,456	0	PT
81.000		2007-246-00 CA47330	3700	111,838	0	PT
81.000		200800700	3700	123,522	0	PT
81.000		00039095	3750	10,856	0	
81.000		00058903	3750	5,703	0	
81.000		00060712	3750	2,207	0	
81.000		0201.12.033734	4610	91,514	0	PT
81.000		2011-0016-005	4610	35,902	0	PT
81.000		090-1289-ISA-FISH	4770	121,629	0	PT
81.000		12-108	4770	521,173	0	PT
81.000		12-109	4770	19,601	0	PT
81.000		12-46	4770	20,913	0	PT
81.000		12-51	4770	4,473	0	PT
81.000		12-68	4770	(7,729)	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
81.000	Energy - Contract Number Only Provided	12-76	4770	51,586	0	PT
81.000		12-77	4770	25,438	0	PT
81.000		13-38	4770	87,337	0	PT
81.000		13-57	4770	131,794	0	PT
81.000		13-78	4770	289,339	0	PT
81.000		13-79	4770	12,187	0	PT
81.000		24190599	4770	549	0	
81.000		324-12	4770	308,646	0	PT
81.000		50204	4770	437,747	0	
81.000		50354	4770	123,553	0	
81.000		52627	4770	132,239	0	
81.000		52646	4770	22,468	0	
81.000		52771	4770	(98)	0	
81.000		53084	4770	181,983	0	
81.000		53279	4770	1,050,987	0	
81.000		53865	4770	31,675	0	
81.000		53956	4770	233,505	0	
81.000		54130	4770	110,966	0	
81.000		54137	4770	26,613	0	
81.000		54272	4770	38,428	0	
81.000		54273	4770	39,294	0	
81.000		54420	4770	15,524	0	
81.000		54461	4770	79,221	0	
81.000		54636	4770	466,858	0	
81.000		54788	4770	64,838	0	
81.000		54831	4770	68,493	0	
81.000		54906	4770	142,330	0	
81.000		55038	4770	11,600	0	
81.000		55102	4770	343,657	0	
81.000		55402	4770	162,623	0	
81.000		55446	4770	14,519	0	
81.000		55548	4770	147,831	0	
81.000		55732	4770	12,665	0	
81.000		56238	4770	42,796	0	
81.000		56424	4770	137,357	0	
81.000		56432	4770	134,998	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	56535	4770	142,853	0	
81.000		56538	4770	197,309	0	
81.000		56540	4770	62,758	0	
81.000		56758	4770	182,368	0	
81.000		56772	4770	94,631	0	
81.000		56787	4770	88,272	0	
81.000		56940	4770	92,908	0	
81.000		57037	4770	100,438	0	
81.000		57287	4770	897,183	0	
81.000		57779	4770	511,193	0	
81.000		57806	4770	133,872	0	
81.000		57970	4770	140,611	0	
81.000		58336	4770	644,063	0	
81.000		58573	4770	458,112	0	
81.000		58664	4770	146,637	0	
81.000		58762	4770	270,036	0	
81.000		58777	4770	48,759	0	
81.000		58977	4770	191,763	0	
81.000		59257	4770	96,302	0	
81.000		59275	4770	207,067	0	
81.000		59514	4770	144,123	0	
81.000		59759	4770	26,639	0	
81.000		59804	4770	380,022	0	
81.000		59891	4770	123,851	0	
81.000		59958	4770	708,302	0	
81.000		59964	4770	194,687	0	
81.000		60262	4770	183,093	0	
81.000		60411	4770	170,531	0	
81.000		60556	4770	101,579	0	
81.000		60686	4770	19,093	0	
81.000		60884	4770	27,331	0	
81.000		61015	4770	137,421	0	
81.000		61260	4770	81,562	0	
81.000		61262	4770	40,117	0	
81.000		61268	4770	85,651	0	
81.000		61271	4770	38,736	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 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	61347	4770	47,664	0	
81.000		61480	4770	108,553	0	
81.000		61576	4770	109,465	0	
81.000		00056233	6990	94,046	0	
81.000		00058975	6990	1,465	0	
81.000		00060562	6990	20,919	0	
	Federal Program 81.000 Total			**29,537,572**	**1,680,805**	
81.041	State Energy Program		1030	560,366	12,549	
81.041		CON00210	3650	20,185	0	PT
	Federal Program 81.041 Total			**580,551**	**12,549**	
81.041A	ARRA - State Energy Program		1030	2,529,668	306,097	
	Federal Program 81.041A Total			**2,529,668**	**306,097**	
81.042	Weatherization Assist - Low Inc		1030	3,021,372	2,328,144	
	Federal Program 81.042 Total			**3,021,372**	**2,328,144**	
81.042A	ARRA - Weatherization Assist - Low Inc		1030	578,816	401,658	
	Federal Program 81.042A Total			**578,816**	**401,658**	
81.106	Transport of Transuranic Wastes to the Waste Isola	C120078FED-TWX2	2250	58,066	0	PT
	Federal Program 81.106 Total			**58,066**	**0**	
81.112	Stewardship Science Grant Program		3600	173,185	0	
81.112			3650	3,049,519	0	
	Federal Program 81.112 Total			**3,222,704**	**0**	
81.117	Energy Efficiency and Renewable Energy Information		1030	1,807,812	440,545	
	Federal Program 81.117 Total			**1,807,812**	**440,545**	
81.119	State Energy Program Special Projects	CON00205	3650	15,041	0	PT
	Federal Program 81.119 Total			**15,041**	**0**	
81.121	Nuclear Energy Research, Development and Demonstra		3650	175,374	0	
81.121		MUSC09094	3650	(63,374)	0	PT
81.121		MUSC12011	3650	96,594	0	PT
	Federal Program 81.121 Total			**208,594**	**0**	
81.122	Electricity Delivery & Energy Research		2150	157,656	0	
81.122			3650	1,367,407	511,999	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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
81.122	Electricity Delivery & Energy Research	10283474	3650	68,622	0	PT
81.122		11453	3650	236,908	0	PT
81.122		20100125103	3650	332,055	0	PT
81.122		6.07004E+12	3650	40,294	0	PT
81.122		A000211585	3650	1,978	0	PT
81.122			6990	1,745,930	0	
	Federal Program 81.122 Total			**3,950,850**	**511,999**	
81.122A	ARRA - Electricity Delivery & Energy Research		1030	84,877	0	
	Federal Program 81.122A Total			**84,877**	**0**	
81.128A	ARRA - Energy Effincy & Conservon Block Grant		1030	413,800	155,488	
	Federal Program 81.128A Total			**413,800**	**155,488**	
81.214	Environmental Monitoring/Cleanup Cultural Rsrc Mgt		3030	676,694	0	
	Federal Program 81.214 Total			**676,694**	**0**	
81.999	Department of Energy - Undetermined		3600	249,578	0	
81.999		20126094	3650	(35,354)	0	PT
81.999		252858	3650	102,517	0	PT
81.999		None	4770	127,309	0	PT
	Federal Program 81.999 Total			**444,050**	**0**	
	Dept of Energy Total			**47,130,467**	**5,837,285**	

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 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	01016-L6031	3600	56,320	0	PT
84.000		ED-OII-11-Q-0023	3600	65,297	0	PT
84.000		H133A080035	3600	75,759	0	PT
84.000		UW BUD# 667627	3600	4,708	0	PT
84.000		115448001	3650	20,078	0	PT
	Federal Program 84.000 Total			**222,162**	**0**	
84.002	Adult Education - Basic Grants to States		6990	10,438,639	7,188,477	
	Federal Program 84.002 Total			**10,438,639**	**7,188,477**	
84.011	Migrant Education_state Grant Program		3500	15,234,375	12,122,414	
	Federal Program 84.011 Total			**15,234,375**	**12,122,414**	
84.013	Title I Program for Neglected and Delinquent Child		3500	1,142,707	1,134,553	
	Federal Program 84.013 Total			**1,142,707**	**1,134,553**	
84.015	National Resource Centers Program for Foreign Lang		3600	3,261,218	79,328	
	Federal Program 84.015 Total			**3,261,218**	**79,328**	
84.016	Undergraduate International Studies and Foreign La		3650	47,171	0	
84.016			3800	32,252	0	
	Federal Program 84.016 Total			**79,423**	**0**	
84.021	Overseas Programs - Group Projects Abroad		3600	11,241	0	
	Federal Program 84.021 Total			**11,241**	**0**	
84.031	Higher Education_institutional Aid		6990	4,807,263	0	
	Federal Program 84.031 Total			**4,807,263**	**0**	
84.048	Career and Technical Education -- Basic Grants To		3540	20,780,665	0	
84.048		IAA-804-12	6990	15,000	0	PT
	Federal Program 84.048 Total			**20,795,665**	**0**	
84.101	Career and Technical Education - Indian Set-Aside	V101A010017-03A	6990	143,947	0	PT
	Federal Program 84.101 Total			**143,947**	**0**	
84.103	TRIO Staff Training Program		3600	227,630	0	
	Federal Program 84.103 Total			**227,630**	**0**	
84.116	Fund for the Improvement of Postsecondary Educatio		3600	98,146	0	
84.116			3760	16,224	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
84.116	Fund for the Improvement of Postsecondary Educatio		6990	744,315	0	
84.116		09-EDC-O-775-FIPSE	6990	20,954	0	PT
84.116		11-EVC-X-090-FIPSE	6990	22,486	0	PT
	Federal Program 84.116 Total			**902,125**	**0**	
84.126	Vocl Rehab Grants to State Basic		3000	44,312,546	0	
84.126			3150	8,611,351	0	
	Federal Program 84.126 Total			**52,923,897**	**0**	
84.129	Rehabilitation Long-Term Training		3600	99,210	0	
84.129			3800	290,250	0	
	Federal Program 84.129 Total			**389,460**	**0**	
84.141	Migrant Education_high School Equivalency Program		3750	499,818	0	
84.141			6990	458,135	0	
	Federal Program 84.141 Total			**957,953**	**0**	
84.144	Migrant Education_coordination Program		3500	38,050	0	
	Federal Program 84.144 Total			**38,050**	**0**	
84.149	Migrant Education_college Assistance Migrant Progr		3600	414,229	0	
84.149			3650	429,570	0	
84.149			3700	48,815	0	
84.149			3750	510,560	0	
84.149			6990	485,509	0	
	Federal Program 84.149 Total			**1,888,683**	**0**	
84.153	Business and International Education Projects		6990	2,374	0	
	Federal Program 84.153 Total			**2,374**	**0**	
84.169	Independent Living - State Grants		3000	299,755	299,755	
84.169			3150	78,001	0	
	Federal Program 84.169 Total			**377,756**	**299,755**	
84.170	Javits Fellowships		3600	50,126	0	
	Federal Program 84.170 Total			**50,126**	**0**	
84.177	Independent Living Older Blind		3150	599,245	0	
	Federal Program 84.177 Total			**599,245**	**0**	
84.181	Spec Ed-Grants for Infants & Families		3570	9,014,481	7,791,908	

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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 84.181 Total			**9,014,481**	**7,791,908**	
84.184	Safe and Drug-Free Schools and Communities_nationa		3800	172,509	0	
84.184			6990	111,246	0	
	Federal Program 84.184 Total			**283,755**	**0**	
84.187	Supported Employment Services for Individuals With		3000	439,258	0	
84.187			3150	55,402	0	
	Federal Program 84.187 Total			**494,660**	**0**	
84.195	Dept of Education		3800	64,100	0	
	Federal Program 84.195 Total			**64,100**	**0**	
84.196	Ed for Homeless Children/Youth		3500	929,099	708,075	
	Federal Program 84.196 Total			**929,099**	**708,075**	
84.200	Graduate Assistance In Areas of National Need		3600	115,488	0	
84.200			3650	45,467	0	
	Federal Program 84.200 Total			**160,955**	**0**	
84.213	Even Start_state Educational Agencies		3500	65,530	53,619	
	Federal Program 84.213 Total			**65,530**	**53,619**	
84.214	Even Start_migrant Education	WSU002044	3650	10,438	0	PT
	Federal Program 84.214 Total			**10,438**	**0**	
84.215	Fund for the Improvement of Education		3650	(500)	0	
84.215		9971200123	3650	20,398	0	PT
84.215		99781101169	3650	11,580	0	PT
	Federal Program 84.215 Total			**31,478**	**0**	
84.224	Assistive Technology		3600	446,388	49,770	
	Federal Program 84.224 Total			**446,388**	**49,770**	
84.264	Rehabilitation Training_continuing Education		3600	1,116,854	0	
	Federal Program 84.264 Total			**1,116,854**	**0**	
84.265	Rehabilitation Training_state Vocational Rehabilit		3000	53,825	0	
84.265			3150	28,782	0	
	Federal Program 84.265 Total			**82,607**	**0**	
84.283	Comprehensive Centers	UW BUD# 666459	3600	142,857	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 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 84.283 Total			**142,857**	**0**	
84.287	Twenty-First Century Community Learning Centers		3500	15,793,152	14,910,074	
	Federal Program 84.287 Total			**15,793,152**	**14,910,074**	
84.323	Special Education - State Personnel Development		3500	1,325,894	475,080	
	Federal Program 84.323 Total			**1,325,894**	**475,080**	
84.325	Special Education - Personnel Development to Impro		3600	941,312	47,657	
84.325		H325T110012-UOW AM01	3600	19,307	0	PT
	Federal Program 84.325 Total			**960,619**	**47,657**	
84.326	Special Education_technical Assistance and Dissemi		3500	231,822	231,822	
	Federal Program 84.326 Total			**231,822**	**231,822**	
84.327	Special Education_technology and Media Services Fo		3600	72,580	0	
84.327		UW BUD# 666227	3600	23,000	0	PT
84.327		FY2012049	3650	(14)	0	PT
	Federal Program 84.327 Total			**95,566**	**0**	
84.330	Advanced Placement Program (Advanced Placement Tes		3500	556,454	556,454	
	Federal Program 84.330 Total			**556,454**	**556,454**	
84.331	Grants to States for Incarcerated Youth Offenders		6990	10,404	0	
	Federal Program 84.331 Total			**10,404**	**0**	
84.333	Demonstration Projects to Ensure Students With DIS		3700	47,358	0	
	Federal Program 84.333 Total			**47,358**	**0**	
84.334	Gaining Early Awareness and Readiness for Undergra		3400	4,606,534	3,088,826	
84.334			3600	5,809,345	3,969,850	
84.334			3650	10,234,869	1,143,689	
84.334			3750	1,237,207	872,927	
84.334			3760	730,917	0	
84.334		061411-001	6990	37,706	0	PT
	Federal Program 84.334 Total			**22,656,578**	**9,075,292**	
84.335	Child Care Access Means Parents In School		3650	170,804	0	
84.335			6990	836,103	0	
	Federal Program 84.335 Total			**1,006,907**	**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
84.337	International Education_technological Innovation A		3600	14,582	9,360	
	Federal Program 84.337 Total			**14,582**	**9,360**	
84.358	Rural Education		3500	1,081,013	1,033,799	
	Federal Program 84.358 Total			**1,081,013**	**1,033,799**	
84.360	School Dropout Prevention Program	UW BUD# 661130	3600	68,704	0	PT
84.360		UW BUD# 663947	3600	55,721	0	PT
	Federal Program 84.360 Total			**124,425**	**0**	
84.365	English Language Acquisition Grants		3500	17,494,364	16,755,717	
84.365			3600	355,163	0	
	Federal Program 84.365 Total			**17,849,527**	**16,755,717**	
84.366	Mathematics and Science Partnerships		3500	1,902,719	1,600,409	
84.366		700300044	3650	2,867	0	PT
84.366		700300056	3650	1,642	0	PT
	Federal Program 84.366 Total			**1,907,228**	**1,600,409**	
84.367	Improving Teacher Quality State Grants		3400	548,223	0	
84.367			3500	41,751,088	40,761,339	
84.367		92-WA03SEED2012 AM01	3600	37,128	0	PT
84.367		92-WA02-SEED2012	3750	31,545	0	PT
	Federal Program 84.367 Total			**42,367,984**	**40,761,339**	
84.369	Grants for State Assessments and Related Activitie		3500	9,545,058	0	
	Federal Program 84.369 Total			**9,545,058**	**0**	
84.371	Striving Readers		3500	13,138	0	
	Federal Program 84.371 Total			**13,138**	**0**	
84.375	Academic Competitiveness Grants		6990	124,389	0	
	Federal Program 84.375 Total			**124,389**	**0**	
84.378	College Access Challenge Grant Program		3400	1,815,077	891,182	
84.378		55763-16	3600	(188)	0	PT
84.378		UW BUD# 663993	3600	3,829	0	PT
	Federal Program 84.378 Total			**1,818,718**	**891,182**	
84.382	Strengthening Minority-Serving Institutions		6990	426,931	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 84.382 Total			**426,931**	**0**	
84.395	ARRA - Sfsf - Race-To-The-Top		3500	34,882,816	0	
	Federal Program 84.395 Total			**34,882,816**	**0**	
84.396	ARRA - Sfsf - What Works and Innovation Fund	A58405	3600	164,483	0	PT
84.396		BSD REF#10-0025	3600	195,196	0	PT
	Federal Program 84.396 Total			**359,679**	**0**	
84.397	ARRA - Sfsf - Government Services		3800	29,861	0	
	Federal Program 84.397 Total			**29,861**	**0**	
84.407	Transition Programs for Students W/Intellectual DI		6990	242,606	0	
	Federal Program 84.407 Total			**242,606**	**0**	
84.410	Education Jobs Fund		3500	1,187,293	1,187,293	
	Federal Program 84.410 Total			**1,187,293**	**1,187,293**	
84.412	Race to the Top - Early Learning Challenge		3570	10,871,093	8,468,452	
84.412		12-1285	3600	7,525	0	PT
84.412		12-1285-01	3600	2,680,259	0	PT
	Federal Program 84.412 Total			**13,558,877**	**8,468,452**	
84.928	National Writing Project	92-WA03	3600	35,244	0	PT
84.928		92-WA03 AM34	3600	1,769	0	PT
84.928		92-WA02	3750	9,733	0	PT
	Federal Program 84.928 Total			**46,746**	**0**	
84.999	Department of Education - Undetermined		3600	1,275	0	
	Federal Program 84.999 Total			**1,275**	**0**	
	Dept of Education Total			**295,604,041**	**125,431,829**	

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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	8,089	0	
89.003			3600	12,343	0	
	Federal Program 89.003 Total			**20,432**	**0**	
	National Archives & Records Admin Total			**20,432**	**0**	

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Federal Programs Not Clustered

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	2,016,916	232,115	
	Federal Program 90.401 Total			**2,016,916**	**232,115**	
90.402	Help America Vote Mock Election Program	11-041	0850	2,490	0	PT
	Federal Program 90.402 Total			**2,490**	**0**	
	Miscellaneous Commissions Total			**2,019,406**	**232,115**	

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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	0000472158	3600	15,450	0	PT
93.000		0000724839	3600	1,961	0	PT
93.000		0000724839 AM01	3600	12,433	0	PT
93.000		0000764481	3600	19,538	0	PT
93.000		000404693-002 AM03	3600	(29,175)	0	PT
93.000		000404693007AM3N01HC95	3600	(6,490)	0	PT
93.000		000419431-006 AM06	3600	29,175	0	PT
93.000		000419431-006 AM07	3600	9,371	0	PT
93.000		000419431-007 AM05	3600	6,490	0	PT
93.000		000419431007AM07OPTION	3600	20,237	0	PT
93.000		000438814 TO2 SC001	3600	21,838	0	PT
93.000		0024031-6 AMEND 01	3600	129,315	0	PT
93.000		00240316AM1HHSN2722011	3600	2,002	0	PT
93.000		01952/05899	3600	1,506	0	PT
93.000		02583615HHSN2722010000	3600	35,034	0	PT
93.000		0585312	3600	12,428	0	PT
93.000		06947S02227	3600	24,415	0	PT
93.000		07893	3600	1,506	0	PT
93.000		1 F32 GM 09118-01	3600	3,154	0	
93.000		1003032-UW	3600	10,079	0	PT
93.000		10313800	3600	172,259	0	PT
93.000		10592SUB MOD01	3600	92,656	0	PT
93.000		10592SUB MOD02	3600	11,082	0	PT
93.000		108151	3600	57,251	0	PT
93.000		10IPA1003435 MOD02	3600	(6)	0	
93.000		10IPA10194 MOD02	3600	13,935	0	
93.000		1147	3600	16,320	0	PT
93.000		12-803000-007 AD01	3600	8,766	0	PT
93.000		12IPA1206730	3600	141,739	0	
93.000		13283-1052	3600	65,554	0	PT
93.000		13IPA1311998	3600	173,462	0	
93.000		16013-2, 5C	3600	20,135	0	PT
93.000		191999-010	3600	(7,173)	0	PT
93.000		1RO1AG03026601A201	3600	(90)	0	PT
93.000		2 R01 EY017370-06A1	3600	266,669	77,964	
93.000		200-2008-M-28202 MOD05	3600	8,865	0	

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Dept of Health & Human Services

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93.000	HHS - Contract Number Only Provided	200-2010-37560	3600	10,568	0	PT
93.000		200-2011-42026	3600	89,878	0	
93.000		200-2012-M-53691 AM01	3600	1,869	0	
93.000		200201138322ORDER0002	3600	159,528	0	
93.000		2008113462 MOD07	3600	4,167	0	PT
93.000		2011-2591AM01	3600	52,031	0	PT
93.000		2011-2593 AM01	3600	81,649	0	PT
93.000		2011-2593AM01	3600	20,282	0	PT
93.000		2012-630	3600	26,143	0	PT
93.000		214-2010-M-37096 AM02	3600	2,885	0	
93.000		214-2011-M-40551	3600	15,406	6,491	
93.000		220187 MOD01	3600	25,000	0	PT
93.000		254-2012-M-53313	3600	5,410	0	
93.000		5 F32 NS 07985-02	3600	1	0	
93.000		5 R01 CA 136569-04	3600	326,226	0	
93.000		5013 AM01	3600	9,870	0	PT
93.000		5579SC AM03	3600	(10)	0	PT
93.000		5579SC AM05	3600	49,797	0	PT
93.000		5579SC, AMD2	3600	(578)	0	PT
93.000		6119-1117-00-AM	3600	1,761	0	PT
93.000		6119-1117-00-AM MOD02	3600	14,187	0	PT
93.000		6216SC AM03	3600	21,718	0	PT
93.000		633430-9S-1414, MOD 3	3600	12,316	0	PT
93.000		7008SC	3600	108,754	0	PT
93.000		7412SC	3600	7,256	0	PT
93.000		819AM02	3600	65,524	0	PT
93.000		8846.02-S04	3600	39,271	0	PT
93.000		A53171 AM03	3600	49,757	0	PT
93.000		A71965	3600	20,590	0	PT
93.000		ACCT #5-38266 AM03	3600	36,377	0	PT
93.000		AM01	3600	138,450	0	PT
93.000		AM03	3600	29	0	PT
93.000		AM04PRIME5R01AG0306180	3600	27,489	0	PT
93.000		CAN: 8381451	3600	10,670	0	
93.000		CC FORM SUB UW#1 MOD06	3600	605,561	0	PT
93.000		CONTRACT #A53625 S01	3600	(2,465)	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

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93.000	HHS - Contract Number Only Provided	CRBUCLA1S1000052MOD01	3600	5,000	0	PT
93.000		EH06201S9N01AG60007CMO	3600	(1,209)	0	PT
93.000		F025217, AM01	3600	(452)	0	PT
93.000		FY11284002FY13284002AM	3600	165,597	0	PT
93.000		FY13.1095.A55946	3600	10,331	0	PT
93.000		GMO-100503 MOD03	3600	(14,951)	0	PT
93.000		GPEDC0036A SAHN AM03	3600	47,257	0	PT
93.000		H33B11-03MOD02	3600	11,281	0	PT
93.000		HHSN266200600006CMOD08	3600	3,329,833	0	
93.000		HHSN266200600006CMOD10	3600	147,689	0	
93.000		HHSN266200600006CN01AI	3600	(4,445)	0	
93.000		HHSN266200700013CMOD06	3600	1,076,196	35,445	
93.000		HHSN267200700023CMOD06	3600	291,050	0	
93.000		HHSN267200700023CMOD10	3600	888,984	442,835	
93.000		HHSN268200536173CCOA10	3600	(854)	0	
93.000		HHSN268200536173CMOD16	3600	77,400	0	
93.000		HHSN268200536173CMOD18	3600	110,137	0	
93.000		HHSN268200736195CMOD08	3600	144,239	0	
93.000		HHSN268200800007C AM06	3600	9,352	0	
93.000		HHSN268200800020C	3600	55,124	0	PT
93.000		HHSN268200800020C AM03	3600	27,154	0	PT
93.000		HHSN268201100037C	3600	57,196	0	
93.000		HHSN268201100037C AM03	3600	4,153,081	0	
93.000		HHSN268201200036C AM01	3600	631,994	159,390	
93.000		HHSN268201200036C MOD2	3600	390,081	0	
93.000		HHSN268201300005C	3600	51,999	0	
93.000		HHSN271201100645P AM01	3600	9,161	0	
93.000		HHSN271201200014C AM01	3600	44,997	0	PT
93.000		HHSN271201200663P	3600	6,544	0	
93.000		HHSN272200800060CMOD10	3600	2,743,412	1,279,329	
93.000		HHSN272200900035CMOD05	3600	2,190,713	1,121,966	
93.000		HHSN272201000024C	3600	18,522	0	
93.000		HHSN272201000024CMOD02	3600	1,123,553	322,541	
93.000		HHSN27500403370I AM01	3600	42,398	0	
93.000		HHSN275200403370I AM02	3600	226,430	0	
93.000		HHSN275200800015CMOD11	3600	2,174,385	472,775	

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93.000	HHS - Contract Number Only Provided	HHSN276201100008C AM05	3600	796,045	0	
93.000		HHSN276201100008CMOD06	3600	1,320,413	104,347	
93.000		IPA1303027	3600	6,008	0	
93.000		ITN10212-00SC AM02	3600	112,777	0	PT
93.000		JPAPOTG110MUNDIT2SIBCR	3600	14,053	0	PT
93.000		N001257301A AM02	3600	5,833	0	PT
93.000		N01 HC 95159 MOD32	3600	85,179	0	
93.000		N01 HC 95159-34	3600	1,736,237	1,103,254	
93.000		N01-AI-40069 MOD 1	3600	(48,159)	0	
93.000		N01-HC-95159 MOD18	3600	23,154	23,154	
93.000		N01-HC-95159 MOD31	3600	(31,220)	(37,460)	
93.000		N01-HC-95159 MOD35	3600	138,131	0	
93.000		N01-HC-95159 MOD36	3600	(317)	0	
93.000		N01-HC-95159MOD34	3600	1,438,451	76,702	
93.000		N01DC60005, MOD11	3600	2,521	0	
93.000		NCHH 07 1065 AM04	3600	(2,724)	0	PT
93.000		NCHH-06-C-1046	3600	2,335	0	PT
93.000		NHL245-08	3600	20,568	0	PT
93.000		NIH131107261SUBAM08	3600	9,611	0	PT
93.000		NO1-HC-95178 AMEND 16	3600	17,890	0	PT
93.000		OAR-NIH	3600	88,022	0	
93.000		P002081501 AM01	3600	46,489	0	PT
93.000		PEHSU	3600	33,607	0	PT
93.000		PHRSIS01S1000117MOD01	3600	11,429	0	PT
93.000		PHRSSSS11001633MOD01	3600	12,681	0	PT
93.000		PJ 8079 TO02	3600	58,644	0	PT
93.000		PO 414574	3600	68,613	0	PT
93.000		PO#10313800-SUB	3600	83	0	PT
93.000		PO#2001739762	3600	74,319	0	PT
93.000		PO323870HHSN2722009000	3600	385,242	0	PT
93.000		PSA-201109-STRATTON	3600	5,028	0	PT
93.000		RES429675,AMD19	3600	(8,614)	0	PT
93.000		RES507022MOD06	3600	115,170	0	PT
93.000		S3951-28/29	3600	90,518	0	PT
93.000		SA1200891	3600	5,546	0	PT
93.000		SA1300948	3600	2,605	0	PT

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93.000	HHS - Contract Number Only Provided	SC-12-020	3600	47,038	0	PT
93.000		SPS #162060, SITE 070	3600	7,012	0	PT
93.000		SR00002272 AM01	3600	6,104	0	PT
93.000		SSSP #50	3600	3,918	0	PT
93.000		SUB #00993-02731.003	3600	24,130	0	PT
93.000		SUB #0790-02731.003	3600	9,635	0	PT
93.000		TD13MEICHS3SIBCR	3600	49,151	0	PT
93.000		U26IHS30029301SA03AM04	3600	47,927	0	PT
93.000		UW BUD# 631409	3600	3,030	0	PT
93.000		UW BUD# 639399	3600	7,368	0	PT
93.000		UW BUD# 660119	3600	13,680	0	PT
93.000		UW BUD# 660713	3600	(84)	0	PT
93.000		UW BUD# 661690	3600	(129)	0	PT
93.000		UW BUD# 662040	3600	31,469	0	PT
93.000		UW BUD# 663077	3600	72,847	0	PT
93.000		UW BUD# 663382	3600	(159,596)	0	PT
93.000		UW BUD# 663790	3600	18,209	0	PT
93.000		UW BUD# 664066	3600	(2,004)	0	PT
93.000		UW BUD# 664156	3600	1,822	0	PT
93.000		UW BUD# 664361	3600	8,166	0	PT
93.000		UW BUD# 664815	3600	51,673	0	PT
93.000		UW BUD# 664852	3600	20,497	0	PT
93.000		UW BUD# 665480	3600	119,298	0	PT
93.000		UW BUD# 665679	3600	19,291	0	PT
93.000		UW BUD# 666083	3600	123,841	0	PT
93.000		UW BUD# 666693	3600	26,498	0	PT
93.000		UW BUD# 666923	3600	408	0	PT
93.000		UW BUD# 666958	3600	47,369	0	PT
93.000		UW BUD# 667039	3600	12,892	0	PT
93.000		UW BUD# 667127	3600	4,507	0	PT
93.000		UW BUD# 667295	3600	3,487	0	PT
93.000		UW BUD# 667371	3600	9,465	0	PT
93.000		UW BUD# 667466	3600	3,847	0	PT
93.000		UW BUD# 667490	3600	1,059	0	PT
93.000		UW BUD# 667504	3600	19,238	0	PT
93.000		UW BUD# 674022	3600	(24,539)	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 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	UW BUD# 800398	3600	35,525	0	PT
93.000		UW BUD# 800464	3600	13,756	0	PT
93.000		UW-1077N MOD06	3600	99,947	0	PT
93.000		UW-1077P MOD06	3600	236,179	0	PT
93.000		UWNMR-13595-1	3600	81,779	0	PT
93.000		UWPPG-13595-1	3600	584,238	0	PT
93.000		WFUHS 30225 AM01	3600	172,208	0	PT
93.000		WFUHS 30225 AM02	3600	443,614	0	PT
93.000		WFUHS 33000 AM03	3600	17,685	0	PT
93.000		WFUHS 33000 AM04	3600	26,805	0	PT
93.000		WFUHS 33000 AM06	3600	298,632	0	PT
93.000		WFUHS 33000 AM09	3600	422,341	0	PT
93.000		WFUHS GTS 35888 AM07	3600	54,469	0	PT
93.000		WFUHS33000SULLIVANAM02	3600	22,384	0	PT
93.000		102042	3650	33,065	0	PT
93.000		118171	3650	55,909	0	PT
93.000		2.42131E+12	3650	47,379	0	PT
93.000		20000000	3650	258,237	82,483	
93.000		3552	3650	6,898	0	PT
93.000		46181	3650	1,339	0	PT
93.000		UCHC637191497	3650	22,341	0	PT
93.000		WSU000335	3650	989	0	PT
93.000		WSU002312	3650	3,116	0	PT
93.000		HPOGV2,MOU#40830	6990	1,709	0	PT
	Federal Program 93.000 Total			**33,843,473**	**5,271,216**	
93.000A	ARRA - HHS - Contract Number Only Provided	140005	3600	115,149	0	PT
	Federal Program 93.000A Total			**115,149**	**0**	
93.041	Special Programs for the Aging_title Vii, Chapter		3000	83,934	78,576	
	Federal Program 93.041 Total			**83,934**	**78,576**	
93.042	Special Programs for the Aging_title Vii, Chapter		3000	403,435	0	
	Federal Program 93.042 Total			**403,435**	**0**	
93.043	Special Programs for the Aging_title III, Part D_d		3000	403,303	403,303	
	Federal Program 93.043 Total			**403,303**	**403,303**	

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
93.048	Spc Prog Aging Title Iv & II Disc Proj		1600	257,763	0	
93.048			3000	276,936	225,692	
	Federal Program 93.048 Total			**534,699**	**225,692**	
93.051	Alzheimer's Disease Demonstration Grants to States		3000	146,623	141,322	
93.051		130311 AM02	3600	28,681	0	PT
	Federal Program 93.051 Total			**175,304**	**141,322**	
93.052	National Family Caregiver Support, Title III, Part		3000	2,775,569	2,660,890	
	Federal Program 93.052 Total			**2,775,569**	**2,660,890**	
93.067	Global AIDS		3600	7,434,144	2,063,505	
93.067		001-3 MOD01	3600	206,162	0	PT
93.067		001-3 MOD02	3600	162,905	0	PT
93.067		002-3 MOD01	3600	179,144	0	PT
93.067		003-3 MOD02	3600	61,074	0	PT
93.067		004-3	3600	45,768	0	PT
93.067		2-312-0212736 MOD 2	3600	37,155	0	PT
93.067		564004225011301AM02	3600	32,715	0	PT
93.067		5U2GPS001177-04	3600	18,771	0	PT
93.067		5U2GPS0011773BIDMCAMD1	3600	(3,986)	0	PT
93.067		6293SC	3600	18,384	0	PT
93.067		6293SC AM03	3600	192,022	0	PT
93.067		6293SC AM05	3600	132,759	0	PT
93.067		6293SC AM06	3600	164,714	0	PT
93.067		6293SC AMEND #2	3600	301,512	0	PT
93.067		634-01-SC	3600	7,208	0	PT
93.067		6601SC	3600	5	0	PT
93.067		6601SCAM01DPA628015295	3600	154,798	0	PT
93.067		6601SCAM04DPA628015295	3600	216,939	0	PT
93.067		6607SC AM02	3600	(78)	0	PT
93.067		7344SC	3600	54,321	0	PT
93.067		7352SC	3600	114,946	0	PT
93.067		ITECH 12# 1.0	3600	94,830	0	PT
93.067		SUBCONTRACT 001-2	3600	23,828	0	PT
93.067		SUBCONTRACT 004-2	3600	3,869	0	PT
93.067		SUBCONTRACT0012MOD01	3600	47,319	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
93.067	Global AIDS	SUBCONTRACT0022MOD01	3600	154,575	0	PT
93.067		SUBCONTRACT0032MOD01	3600	15,096	0	PT
93.067		UONUWCDC5U2GPS00118304	3600	94,717	0	PT
93.067		UONUWCDC5U2GPS00118305	3600	127,921	0	PT
93.067		UW BUD# 665364	3600	52,304	0	PT
93.067		UW BUD# 674034	3600	109	0	PT
	Federal Program 93.067 Total			**10,145,950**	**2,063,505**	
93.069	Public Health Emergency Preparedness		3030	12,301,696	4,422,167	
93.069		N19599	3030	18,188	0	PT
93.069			3600	377,084	0	
93.069		N19163	3600	10,208	0	PT
	Federal Program 93.069 Total			**12,707,176**	**4,422,167**	
93.070	Environmental Public Health and Emergency Response		3030	1,968,499	127,615	
93.070			3600	53,934	0	
93.070		EHS2478	3600	11,817	0	PT
	Federal Program 93.070 Total			**2,034,250**	**127,615**	
93.072	Lifespan Respite Care Program		3000	59,946	8,315	
	Federal Program 93.072 Total			**59,946**	**8,315**	
93.074	Hosp. Prep. Prog. (Hpp) & Public Health Emer Prep.	PH-002436	3600	30,893	0	PT
	Federal Program 93.074 Total			**30,893**	**0**	
93.088	Advancing System Improvements to Support Targets F	UW-CHC-P2-Y1 AM01	3600	70,849	0	PT
	Federal Program 93.088 Total			**70,849**	**0**	
93.090	ARRA - Guardianship Assistance		3000	162,438	0	
	Federal Program 93.090 Total			**162,438**	**0**	
93.092	Affordable Care Act Personal Resp. Ed Program		3030	1,095,688	805,798	
	Federal Program 93.092 Total			**1,095,688**	**805,798**	
93.093	Affordable Care Act Health Profession Opportunity	12/679-HHS	2350	138,120	0	PT
93.093			6990	1,698,476	0	
93.093		11/648-HHS	6990	16,797	0	PT
93.093		12/674-HHS	6990	80,367	0	PT
	Federal Program 93.093 Total			**1,933,760**	**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
93.103	Food and Drug Administration_research		4950	732,755	0	
	Federal Program 93.103 Total			**732,755**	**0**	
93.104	Comprehensive Community Mental Health Services For		3000	459,801	0	
93.104		SR00002386PRIME1210823	3600	79,902	0	PT
	Federal Program 93.104 Total			**539,703**	**0**	
93.107	Model State-Supported Area Health Education Center		3600	381,549	307,684	
	Federal Program 93.107 Total			**381,549**	**307,684**	
93.110	Maternal and Child Health Federal Consolidated Pro		3030	908,284	405,751	
93.110			3600	2,356,451	181,168	
93.110		1920 G KB359 AM05	3600	134	0	PT
93.110		1920 G KB359 AM06	3600	32,747	0	PT
93.110		P0424035 AM001	3600	(14)	0	PT
93.110		P0424035B AM002	3600	19,736	0	PT
	Federal Program 93.110 Total			**3,317,338**	**586,919**	
93.116	Project Grants and Cooperative Agreements for Tube		3030	1,575,324	298,359	
	Federal Program 93.116 Total			**1,575,324**	**298,359**	
93.127	Emergency Medical Services for Children		3030	113,568	48,621	
	Federal Program 93.127 Total			**113,568**	**48,621**	
93.130	Cooperative Agreements to States/Territories for T		3030	220,403	59,000	
	Federal Program 93.130 Total			**220,403**	**59,000**	
93.136	Injury Prevention and Control Research and State A		3030	1,093,304	83,075	
	Federal Program 93.136 Total			**1,093,304**	**83,075**	
93.142	Niehs Hazardous Waste Worker Health and Safety Tra	2105 G HB431 AM05	3600	8,972	0	PT
93.142		2105 G NA299 AM01	3600	18,408	0	PT
93.142		2105 G NA299 AM02	3600	129,647	0	PT
93.142		2105 G NA299, AM02	3600	122,580	0	PT
93.142		UW BUD# 674319	3600	30,145	0	PT
	Federal Program 93.142 Total			**309,752**	**0**	
93.145	AIDS Education and Training Centers		3600	2,693,774	1,221,558	
93.145		A76088	3600	9,249	0	PT
93.145		UW BUD# 674365	3600	23,269	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
	Federal Program 93.145 Total			**2,726,292**	**1,221,558**	
93.150	Projects for Assistance In Transition From Homeles		3000	1,447,164	1,176,472	
	Federal Program 93.150 Total			**1,447,164**	**1,176,472**	
93.153	Coordinated Services and Access to Research for Wo		3030	780,658	705,917	
	Federal Program 93.153 Total			**780,658**	**705,917**	
93.161	Health Program for Toxic Substances and Disease Re		3600	(3,246)	0	
	Federal Program 93.161 Total			**(3,246)**	**0**	
93.165	Grants to States for Loan Repayment Program		3400	609,357	609,357	
	Federal Program 93.165 Total			**609,357**	**609,357**	
93.178	Nursing Workforce Diversity		3650	288,170	0	
	Federal Program 93.178 Total			**288,170**	**0**	
93.191	Allied Health Special Projects		3600	95,933	0	
	Federal Program 93.191 Total			**95,933**	**0**	
93.211	Telehealth Network Grants		3600	152,075	0	
	Federal Program 93.211 Total			**152,075**	**0**	
93.217	Family Planning_services		3030	4,029,041	2,623,606	
	Federal Program 93.217 Total			**4,029,041**	**2,623,606**	
93.231	Epidemiology Cooperative Agreements	ANTHC-10-P-27690 MOD03	3600	2,932	0	PT
93.231		NARCHVIU26IHS30041303A	3600	25,777	0	PT
93.231		NWIC 24213 104 22000	3600	44,613	0	PT
93.231		U26IHS300107/04 AM2	3600	12,539	0	PT
	Federal Program 93.231 Total			**85,861**	**0**	
93.236	Grants for Dental Public Health Residency Training		3030	305,429	190,049	
	Federal Program 93.236 Total			**305,429**	**190,049**	
93.240	State Capacity Building		3030	516,922	0	
	Federal Program 93.240 Total			**516,922**	**0**	
93.241	State Rural Hospital Flexibility Program		3030	579,580	347,742	
93.241		N19137	3600	3,395	0	PT
93.241		N19612	3600	6,941	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
	Federal Program 93.241 Total			**589,916**	**347,742**	
93.243	Substance Abuse and Mental Health Services_project		3000	3,137,976	1,200,804	
93.243			3030	886,326	590,633	
93.243			3600	301,114	151,428	
93.243		1 U79 SM 060393-01	3600	10,079	0	PT
93.243		1002661_ADAI	3600	35,530	0	PT
93.243		1265-46908 AM01	3600	22,170	0	PT
93.243		1265-62496 TO# AG	3600	10,629	0	PT
93.243		1265-62496 TO# CD AM01	3600	23,133	0	PT
93.243		1265-62496 TO#AB	3600	18,380	0	PT
93.243		1265-62496 TO#AC	3600	140,417	0	PT
93.243		1265-62496 TO#AD	3600	40,028	0	PT
93.243		1265-62496 TO#AE	3600	33,025	0	PT
93.243		1265-62496 TO#AF	3600	76,267	0	PT
93.243		1265-62496 TO#CC	3600	17,272	0	PT
93.243		5U79SM060393-02 AM01	3600	68,287	0	PT
93.243		GPHPM0144-ADAI AM05	3600	14,152	0	PT
93.243		T03286T	3600	(2,205)	0	PT
93.243		T03286T (516838 AM04)	3600	5,383	0	PT
93.243		T03286T (516838 AM05)	3600	16,723	0	PT
93.243		T03342T AM01	3600	80,753	0	PT
93.243		T03353T	3600	17,093	0	PT
93.243		T03353T/518361AM1	3600	62,875	0	PT
93.243		UW BUD# 661873	3600	31,430	0	PT
93.243			3650	116,213	9,153	
93.243		2011A14	3650	25,157	0	PT
93.243		WSU001130	3650	29,598	0	PT
93.243		WSU001170	3650	28,393	0	PT
93.243		WSU002569	3650	34,009	0	PT
	Federal Program 93.243 Total			**5,280,207**	**1,952,018**	
93.247	Advanced Education Nursing Grant Program		3600	1,624,201	83,238	
	Federal Program 93.247 Total			**1,624,201**	**83,238**	
93.249	Public Health Training Centers Grant Program		3600	(73,877)	0	
	Federal Program 93.249 Total			**(73,877)**	**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
93.250	Geriatric Academic Career Awards		3600	67,028	0	
	Federal Program 93.250 Total			**67,028**	**0**	
93.251	Universal Newborn Hearing Screening		3030	355,076	132,747	
	Federal Program 93.251 Total			**355,076**	**132,747**	
93.256	State Planning Grants Health Care Access for the U		1050	1,614,655	0	
	Federal Program 93.256 Total			**1,614,655**	**0**	
93.265	Comprehensive Geriatric Education Program(Cgep)		3600	212,632	0	
	Federal Program 93.265 Total			**212,632**	**0**	
93.266	Health Systems Strengthening and HIV/AIDS Preventi		3600	55,814,908	4,681,716	
	Federal Program 93.266 Total			**55,814,908**	**4,681,716**	
93.268	Immunization Cooperative Agreements		3030	7,719,253	1,354,862	
93.268			3030	78,916,534	0	NC
	Federal Program 93.268 Total			**86,635,787**	**1,354,862**	
93.270	Adult Viral Hepatitis Prevention and Control		3030	151,320	0	
	Federal Program 93.270 Total			**151,320**	**0**	
93.275	Substance Abuse and Mental Health Services-Access		3000	2,919,688	2,706,103	
	Federal Program 93.275 Total			**2,919,688**	**2,706,103**	
93.276	Drug-Free Communities Support Program Grants	Memorandum of Understa	3750	1,470	0	PT
	Federal Program 93.276 Total			**1,470**	**0**	
93.283	Centers for Disease Control and Prevention_investi		3030	11,592,358	2,941,156	
	Federal Program 93.283 Total			**11,592,358**	**2,941,156**	
93.296	State Partnership Grant Program to Improve Minorit		3030	136,230	0	
	Federal Program 93.296 Total			**136,230**	**0**	
93.301	Small Rural Hospital Improvement Grant Program		3030	420,675	396,223	
93.301		0000723870	3600	(489)	0	PT
93.301		0000750946	3600	70,240	0	PT
	Federal Program 93.301 Total			**490,426**	**396,223**	
93.359	Nurse Education, Practice and Retention Grants		3600	696,431	13,391	
93.359		E4915 491423 AM	3600	43,046	0	PT

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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 93.359 Total			**739,477**	**13,391**	
93.411	ARRA - Equipment to Enhance Training for Health Pr	N18759	3600	(815)	0	PT
	Federal Program 93.411 Total			**(815)**	**0**	
93.414	ARRA - State Primary Care Offices		3030	173,565	87,667	
	Federal Program 93.414 Total			**173,565**	**87,667**	
93.416	ARRA - Health Careers Opportunity Program	CHECK 118970 & 3136705	3600	56,369	0	PT
	Federal Program 93.416 Total			**56,369**	**0**	
93.441	Indian Self-Determination	C12-05-PO#20989AM01	3600	23,465	0	PT
93.441		C13-24 PO#22325	3600	42,289	0	PT
	Federal Program 93.441 Total			**65,754**	**0**	
93.448	Food Safety and Security Monitoring Project		3030	260,957	0	
93.448			4950	344,178	0	
	Federal Program 93.448 Total			**605,135**	**0**	
93.449	Ruminant Feed Ban Support Project		4950	254,846	0	
	Federal Program 93.449 Total			**254,846**	**0**	
93.500	Pregnancy Assistance Fund Program		3030	2,080,412	1,071,827	
	Federal Program 93.500 Total			**2,080,412**	**1,071,827**	
93.505	Afford Care Act Maternal/Infant/Early Chdhood Visi		3030	196,992	0	
93.505			3570	5,577,974	5,491,264	
	Federal Program 93.505 Total			**5,774,966**	**5,491,264**	
93.507	Strengthen Public Health Infrastruct for Imp Healt		3030	349,281	157,771	
93.507		N18758 AM03	3600	12,227	0	PT
93.507		N18758 AMENDMENT#2	3600	4,374	0	PT
	Federal Program 93.507 Total			**365,882**	**157,771**	
93.511	Affordable Care Act Grants to States Health Prem R		1600	198,318	0	
	Federal Program 93.511 Total			**198,318**	**0**	
93.514	Affordable Care Act - Expan of Physican Assts Trng		3600	389,240	0	
	Federal Program 93.514 Total			**389,240**	**0**	
93.516	Affordable Care Act - Public Health Train CTR Prg		3600	608,287	3,467	

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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 93.516 Total			**608,287**	**3,467**	
93.517	Affordable Care Act Aging & Disability Rsrc Center		3000	104,098	14,702	
	Federal Program 93.517 Total			**104,098**	**14,702**	
93.518	Affordable Care Act Medicare Improv for Patients &		3000	77,307	0	
	Federal Program 93.518 Total			**77,307**	**0**	
93.520	Centers for Disease Control and Prevention - Aca		3030	68,373	63,000	
	Federal Program 93.520 Total			**68,373**	**63,000**	
93.521	Afford Care Act IS Elc & EIP Agreements		3030	1,131,899	0	
	Federal Program 93.521 Total			**1,131,899**	**0**	
93.525	State Planning & Estab Grnt for the Affrd Care Act		1070	6,184,784	0	
	Federal Program 93.525 Total			**6,184,784**	**0**	
93.531	Pphf 2012: Community Transformation Grants & Natl		3030	3,934,289	2,726,598	
	Federal Program 93.531 Total			**3,934,289**	**2,726,598**	
93.537	Affordable Care Act Medical Emerg Pyschiatric Demo		3000	721,499	0	
	Federal Program 93.537 Total			**721,499**	**0**	
93.538	Affordable Care Act - National Environ Pub Health		3030	677,362	87,000	
	Federal Program 93.538 Total			**677,362**	**87,000**	
93.539	Pphf 2012: Prevention & Public Health Fund - Aca		3030	1,451,153	621,854	
	Federal Program 93.539 Total			**1,451,153**	**621,854**	
93.544	Patient Protection and Affordable Care Act of 2010		3030	148,614	57,208	
	Federal Program 93.544 Total			**148,614**	**57,208**	
93.548	Pphf 2012: Nutrition, Physical Activity & Obesity		3030	1,035,912	190,946	
	Federal Program 93.548 Total			**1,035,912**	**190,946**	
93.556	Promoting Safe and Stable Families		3000	6,660,881	0	
93.556		1C087200 Amend #	3700	175,370	0	PT
	Federal Program 93.556 Total			**6,836,251**	**0**	
93.563	Child Support Enforcement		3000	85,602,323	27,362,700	
	Federal Program 93.563 Total			**85,602,323**	**27,362,700**	
93.566	Refugee and Entrant Assistance_state Administered		1070	3,016,459	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 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
93.566	Refugee and Entrant Assistance_state Administered		3000	9,905,405	0	
	Federal Program 93.566 Total			**12,921,864**	**0**	
93.568	Low-Income Home Energy Assistance		1030	57,261,134	54,644,786	
	Federal Program 93.568 Total			**57,261,134**	**54,644,786**	
93.569	Community Services Block Grant		1030	7,389,743	6,996,414	
	Federal Program 93.569 Total			**7,389,743**	**6,996,414**	
93.576	Refugee and Entrant Assistance_discretionary Grant		3000	1,260,234	918,695	
	Federal Program 93.576 Total			**1,260,234**	**918,695**	
93.579	U.S. Repatriation		3000	149	0	
	Federal Program 93.579 Total			**149**	**0**	
93.584	Refugee and Entrant Assistance_targeted Assistance		3000	1,262,711	0	
	Federal Program 93.584 Total			**1,262,711**	**0**	
93.586	State Court Improvement Program		0550	785,726	0	
	Federal Program 93.586 Total			**785,726**	**0**	
93.590	Community-Based Child Abuse Prevention Grants		3000	1,161,618	0	
	Federal Program 93.590 Total			**1,161,618**	**0**	
93.597	Grants to States for Access and Visitation Program		3000	159,582	155,546	
	Federal Program 93.597 Total			**159,582**	**155,546**	
93.599	Chafee Education and Training Vouchers Program		3000	634,295	0	
	Federal Program 93.599 Total			**634,295**	**0**	
93.600	Head Start		3570	117,934	0	
93.600			3600	10,759,832	3,875,645	
93.600		WSU002132	3650	2,433	0	PT
93.600			3700	1,735,461	0	
93.600			6990	21,068,905	0	
93.600		100-3446	6990	(1,272)	0	PT
93.600		1112 HEADSTART	6990	35,951	0	PT
93.600		1213 HEADSTART	6990	70,990	0	PT
93.600		145-161-1N46	6990	120,443	0	PT
93.600		145-161-1N47	6990	37,963	0	PT
93.600		145-161-1N48	6990	80,865	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 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	570-265-1550	6990	177,963	0	PT
93.600		LOA #7873	6990	178,312	0	PT
93.600		LOA #7874	6990	128,921	0	PT
	Federal Program 93.600 Total			**34,514,701**	**3,875,645**	
93.603	Adoption Incentive Payments		3000	2,568,000	0	
	Federal Program 93.603 Total			**2,568,000**	**0**	
93.605	Family Connection Grants	UW BUD# 665722	3600	46,980	0	PT
	Federal Program 93.605 Total			**46,980**	**0**	
93.606	Affordable Care Act Preparedness & Emerg Response		3600	153,023	0	
	Federal Program 93.606 Total			**153,023**	**0**	
93.609	Medicaid Adult Quality Grants		3000	404,357	0	
	Federal Program 93.609 Total			**404,357**	**0**	
93.617	Voting Access for Individuals With Disabilities_gr		0850	347,276	347,276	
	Federal Program 93.617 Total			**347,276**	**347,276**	
93.624	Aca - State Innov. Models: Funding for Design & Te		1070	342,079	0	
	Federal Program 93.624 Total			**342,079**	**0**	
93.626	Affordable Care Act Ship and Adrc Counseling		3000	403	0	
	Federal Program 93.626 Total			**403**	**0**	
93.630	Developmental Disabilities Basic Support and Advoc		1030	1,101,222	263,348	
93.630			3030	47,458	0	
	Federal Program 93.630 Total			**1,148,680**	**263,348**	
93.631	Developmental Disabilities Projects of National Si		3600	61	0	
	Federal Program 93.631 Total			**61**	**0**	
93.632	University Centers for Excellence In Developmental		3600	554,306	0	
	Federal Program 93.632 Total			**554,306**	**0**	
93.643	Children's Justice Grants to States		3000	481,991	0	
	Federal Program 93.643 Total			**481,991**	**0**	
93.645	Child Welfare Services_state Grants		3000	5,059,088	0	
	Federal Program 93.645 Total			**5,059,088**	**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
93.652	Adoption Opportunities		3600	202,785	0	
93.652		SC3002080525	3600	16,131	0	PT
93.652		SC3002547822	3600	25,627	0	PT
93.652		UW BUD# 667212	3600	15,284	0	PT
93.652		UW BUD# 667368	3600	3,047	0	PT
	Federal Program 93.652 Total			**262,874**	**0**	
93.658	Foster Care - Title Iv-E		3000	83,980,172	0	
93.658		KC244100 Amend #1	3700	104,069	0	PT
93.658		KC247400 Amend #3	3700	120,552	0	PT
93.658		KC247400 RFP KCB1001	3700	19,403	0	PT
93.658		KC247500 Amend #3	3700	105,864	0	PT
93.658		KC247500 RFP KCB1001	3700	29,342	0	PT
93.658		KC247600 Amend #3	3700	141,737	0	PT
93.658		KC247600 RFP KCB1001	3700	19,230	0	PT
93.658		KC247700 Amend #3	3700	384,158	0	PT
93.658		KC247700 RFP KCB1103	3700	118,102	0	PT
	Federal Program 93.658 Total			**85,022,629**	**0**	
93.659	Adoption Assistance		3000	46,135,983	0	
	Federal Program 93.659 Total			**46,135,983**	**0**	
93.667	Social Services Block Grant		3000	43,146,309	0	
	Federal Program 93.667 Total			**43,146,309**	**0**	
93.669	Child Abuse and Neglect State Grants		3000	612,716	0	
	Federal Program 93.669 Total			**612,716**	**0**	
93.670	Child Abuse and Neglect Discretionary Activities	UW BUD# 664496	3600	35,054	0	PT
93.670		C2002256082	3650	20,868	0	PT
	Federal Program 93.670 Total			**55,922**	**0**	
93.671	Family Violence Prevention and Services/Grants For		3000	1,907,564	1,825,694	
	Federal Program 93.671 Total			**1,907,564**	**1,825,694**	
93.674	Chafee Foster Care Independence Program		3000	2,966,359	2,403,012	
	Federal Program 93.674 Total			**2,966,359**	**2,403,012**	
93.708	ARRA - Head Start		3570	1,015,147	717,985	

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 93.708 Total			**1,015,147**	**717,985**	
93.715	Recovery Act - Comparative Effectiveness Research		3600	7,994,717	2,912,449	
93.715		UW BUD# 203859	3600	110	0	PT
	Federal Program 93.715 Total			**7,994,827**	**2,912,449**	
93.719	ARRA - WA ST Ehealth Collaborative Enterprise		1070	3,744,965	3,490,677	
93.719		90HT0019/01-05	3600	68,414	0	PT
93.719		CHECK#1902	3600	195,273	0	PT
	Federal Program 93.719 Total			**4,008,652**	**3,490,677**	
93.721	ARRA - Health IT Professionals In Health Care		6990	203,408	0	
	Federal Program 93.721 Total			**203,408**	**0**	
93.723	ARRA - Prevent/Wellness-St, Terr, PAC Islands		3030	10,120	0	
	Federal Program 93.723 Total			**10,120**	**0**	
93.724	ARRA - Prevention & Wellness - Communities Putting		3030	174,722	0	
93.724		D40394D HEAL 1590	3600	(1,439)	0	PT
93.724		D40447D	3600	79	0	PT
93.724		T03288T	3600	(130)	0	PT
	Federal Program 93.724 Total			**173,232**	**0**	
93.729	ARRA - Health IT and Public Health		3030	277,037	1,727	
	Federal Program 93.729 Total			**277,037**	**1,727**	
93.733	Capacity Building Assist Strenthen Ph Immuniz		3030	106,908	0	
	Federal Program 93.733 Total			**106,908**	**0**	
93.734	Empowering Older Adults & Adults With Disabilities		3000	195,667	152,107	
	Federal Program 93.734 Total			**195,667**	**152,107**	
93.735	St.pub.hlth. Approaches Ensuring Quitline		3030	257,504	103,653	
	Federal Program 93.735 Total			**257,504**	**103,653**	
93.744	Breast & Servical Cancer Screening Oppt for States		3030	204,402	201,620	
	Federal Program 93.744 Total			**204,402**	**201,620**	
93.745	Health Care Survelliance/Statistics Programs Brfss		3030	46	0	
	Federal Program 93.745 Total			**46**	**0**	
93.748	C A for Prescription Drug Monitoring Program Elect		3030	1,691	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 93.748 Total			**1,691**	**0**	
93.767	State Children's Insurance Program		1070	84,684,486	0	
93.767			3000	2,483,798	0	
	Federal Program 93.767 Total			**87,168,284**	**0**	
93.768	Medicaid Infrastructure Grants to Support the Comp		1070	180,540	0	
93.768			3000	172	0	
	Federal Program 93.768 Total			**180,712**	**0**	
93.789	Alternatives to Psychiatric Residential Treatment	PO# SR00001218 MOD03	3600	(12,648)	0	PT
93.789		SR00002171 AM02	3600	96,738	0	PT
	Federal Program 93.789 Total			**84,090**	**0**	
93.791	Money Follows the Person Rebalancing Demonstration		3000	19,499,377	198,325	
	Federal Program 93.791 Total			**19,499,377**	**198,325**	
93.824	Basic/CORE Area Health Education Centers	G227-12-W3750 AM01	3600	29,098	0	PT
93.824		G267-10-W2821 AM01	3600	(1,388)	0	PT
93.824		PO449619	3600	13,432	0	PT
93.824		PO459307	3600	16,093	0	PT
	Federal Program 93.824 Total			**57,235**	**0**	
93.884	Grants for Training In Primary Care Medicine and D		3600	684,031	0	
	Federal Program 93.884 Total			**684,031**	**0**	
93.888	Specially Selected Health Projects		3650	66,166	0	
	Federal Program 93.888 Total			**66,166**	**0**	
93.889	National Bioterrorism Hospital Preparedness Progra		3030	6,422,748	2,085,295	
	Federal Program 93.889 Total			**6,422,748**	**2,085,295**	
93.912	Rural Health Care Services Outreach and Rural Heal	N/A	3700	28,262	0	PT
	Federal Program 93.912 Total			**28,262**	**0**	
93.913	Grants to States for Operation of Offices of Rural		3030	181,987	144,567	
	Federal Program 93.913 Total			**181,987**	**144,567**	
93.917	HIV Care Formula Grants		3030	5,915,266	3,848,013	
	Federal Program 93.917 Total			**5,915,266**	**3,848,013**	
93.924	Ryan White HIV/AIDS Dental Reimbursements\communit		3600	20,570	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 93.924 Total			**20,570**	**0**	
93.928	Special Projects of National Significance		3030	54,680	0	
	Federal Program 93.928 Total			**54,680**	**0**	
93.938	Cooperative Agreements to Support Comprehensive Sc		3500	388,229	7,254	
	Federal Program 93.938 Total			**388,229**	**7,254**	
93.940	HIV Prevention Activities_health Department Based		3030	4,641,158	827,467	
	Federal Program 93.940 Total			**4,641,158**	**827,467**	
93.941	HIV Demonstration, Research, Public and Profession		3030	1,477,165	345,060	
	Federal Program 93.941 Total			**1,477,165**	**345,060**	
93.944	Human Immunodeficiency Virus (Hiv)/Acquired Immuno		3030	822,410	0	
93.944		PREV2723	3600	5,000	0	PT
	Federal Program 93.944 Total			**827,410**	**0**	
93.945	Assistance Programs for Chronic Disease Prevention	10397SUB	3600	6,164	0	PT
93.945		10694SUB	3600	5,854	0	PT
	Federal Program 93.945 Total			**12,018**	**0**	
93.946	Cooperative Agreements to Support State-Based Safe		3030	182,926	16,580	
	Federal Program 93.946 Total			**182,926**	**16,580**	
93.958	Block Grants for Community Mental Health Services		3000	9,009,906	6,262,253	
93.958		841305	3000	28,418	0	PT
93.958		1165-36869 AM01	3600	68,399	0	PT
93.958		1165-43243-03	3600	(746)	0	PT
93.958		1165-43336	3600	20,667	0	PT
93.958		1265-45597	3600	11,678	0	PT
93.958		1265-45950	3600	25,688	0	PT
93.958		1265-62496 TO#AA	3600	180,386	0	PT
93.958		UW BUD# 663040	3600	14,862	0	PT
93.958		UW BUD# 663045	3600	102,801	0	PT
93.958		UW BUD# 663046	3600	22,717	0	PT
93.958		UW BUD# 663429	3600	42,110	0	PT
93.958		UW BUD# 663431	3600	16,582	0	PT
	Federal Program 93.958 Total			**9,543,468**	**6,262,253**	

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
93.959	Block Grants for Prevention and Treatment of Subst		3000	32,685,360	13,871,873	
	Federal Program 93.959 Total			**32,685,360**	**13,871,873**	
93.964	Public Health Traineeships		3600	83,475	0	
	Federal Program 93.964 Total			**83,475**	**0**	
93.969	Geriatric Education Centers		3600	288,628	0	
	Federal Program 93.969 Total			**288,628**	**0**	
93.977	Preventive Health Services_sexually Transmitted DI		3030	2,646,464	224,445	
93.977			3600	130,226	0	
	Federal Program 93.977 Total			**2,776,690**	**224,445**	
93.991	Preventive Health and Health Services Block Grant		3030	570,953	96,866	
	Federal Program 93.991 Total			**570,953**	**96,866**	
93.994	Maternal and Child Health Services Block Grant To		3030	8,354,135	5,044,607	
93.994		N18166 AM02	3600	120,712	0	PT
	Federal Program 93.994 Total			**8,474,847**	**5,044,607**	
93.999	HHS - Undetermined		3600	82,554	0	
93.999		None	6990	25,715	0	PT
	Federal Program 93.999 Total			**108,269**	**0**	
	Dept of Health & Human Services Total			**878,031,495**	**188,647,455**	

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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	57,320	0	
94.002			6990	50,187	0	
	Federal Program 94.002 Total			**107,507**	**0**	
94.003	State Commissions		1050	242,547	0	
	Federal Program 94.003 Total			**242,547**	**0**	
94.004	Learn and Serve America_school and Community Based		3500	39,834	35,948	
	Federal Program 94.004 Total			**39,834**	**35,948**	
94.005	Learn and Serve America_higher Education	54571-P AM01	3600	3	0	PT
94.005			3800	27,760	0	
	Federal Program 94.005 Total			**27,763**	**0**	
94.006	Americorps		1050	15,855,787	4,113,245	
94.006		480200	3600	181,609	0	PT
94.006		54570-27 AM01	3600	3,170	0	PT
94.006		54570-29	3600	94	0	PT
94.006			3760	210,785	0	
94.006			3800	652,199	0	
94.006			6990	304,261	0	
	Federal Program 94.006 Total			**17,207,905**	**4,113,245**	
94.007	Planning and Program Development Grants		1050	15,477	0	
	Federal Program 94.007 Total			**15,477**	**0**	
94.009	Training and Technical Assistance		1050	35,682	0	
	Federal Program 94.009 Total			**35,682**	**0**	
94.013	Volunteers In Service to America		3800	10,323	0	
94.013			5400	660,430	0	
	Federal Program 94.013 Total			**670,753**	**0**	
94.021	Volunteer Generation Fund		1050	181,301	176,421	
	Federal Program 94.021 Total			**181,301**	**176,421**	
	Corp for National & Community Service Total			**18,528,769**	**4,325,614**	

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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	17,245	0	
	Federal Program 96.008 Total			**17,245**	**0**	
	Social Security Administration Total			**17,245**	**0**	

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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	C120785FED-LLAD	2250	69,056	0	
97.000		3001657166 AM04	3600	56,890	0	PT
97.000		HSFE1012P00139MOD1SL20	3600	7,939	0	
97.000		HSHQDC-11-P-00089	3600	40,000	0	
97.000		TO# UWA-PTS-001 MOD04	3600	27,768	0	PT
97.000		167561	3650	63,773	0	PT
97.000		WSU000938	3650	(3,554)	0	PT
	Federal Program 97.000 Total			**261,872**	**0**	
97.001	Homeland Security		2450	52,042	52,042	
	Federal Program 97.001 Total			**52,042**	**52,042**	
97.004	State Domestic Preparedness Equipment Support Prog		2450	12,730,116	11,667,659	
	Federal Program 97.004 Total			**12,730,116**	**11,667,659**	
97.005	State and Local Homeland Security Training Program	FEMA 10466	6990	12,162	0	PT
	Federal Program 97.005 Total			**12,162**	**0**	
97.008	Non-Profit Security Program		2450	8,170,810	8,056,097	
	Federal Program 97.008 Total			**8,170,810**	**8,056,097**	
97.012	Boating Safety Financial Assistance		4650	2,412,779	0	
	Federal Program 97.012 Total			**2,412,779**	**0**	
97.013	State Access to the Oil Spill Liability Trust Fund	MUSC13003	3650	4,902	0	PT
	Federal Program 97.013 Total			**4,902**	**0**	
97.023	Community Assistance Program State Support Service		4610	184,304	0	
	Federal Program 97.023 Total			**184,304**	**0**	
97.029	Flood Mitigation Assistance		2450	1,430,242	1,946,537	
	Federal Program 97.029 Total			**1,430,242**	**1,946,537**	
97.036	Disaster Grants - Public Assistance (Presidentiall		2450	29,024,795	28,957,894	
97.036		D12-024	6990	8,379	0	PT
97.036		FEMA-4056-DR-WA	6990	36,513	0	PT
	Federal Program 97.036 Total			**29,069,687**	**28,957,894**	
97.039	Hazard Mitigation Grant		2450	7,198,541	6,867,065	
97.039		E-10-198	3760	756,829	0	PT

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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
	Federal Program 97.039 Total			**7,955,370**	**6,867,065**	
97.040	Chemical Stockpile Emergency Preparedness Program		2450	(151)	0	
	Federal Program 97.040 Total			**(151)**	**0**	
97.041	National Dam Safety Program		4610	75,148	0	
	Federal Program 97.041 Total			**75,148**	**0**	
97.042	Emergency Management Performance Grants		2450	5,951,898	3,455,172	
	Federal Program 97.042 Total			**5,951,898**	**3,455,172**	
97.043	State Fire Training Systems Grants		2250	27,365	0	
	Federal Program 97.043 Total			**27,365**	**0**	
97.045	Cooperating Technical Partners		4610	232,477	0	
97.045			4900	22,778	0	
	Federal Program 97.045 Total			**255,255**	**0**	
97.046	Fire Management Assistance Grant		2450	3,011,741	194,942	
	Federal Program 97.046 Total			**3,011,741**	**194,942**	
97.047	Pre-Disaster Mitigation		2450	3,273,982	3,119,242	
	Federal Program 97.047 Total			**3,273,982**	**3,119,242**	
97.052	Emergency Operations Centers		2450	1,067,733	1,064,965	
	Federal Program 97.052 Total			**1,067,733**	**1,064,965**	
97.053	Citizens-Community Resilience Innovation Challenge		2450	181,152	181,152	
	Federal Program 97.053 Total			**181,152**	**181,152**	
97.055	Interoperable Communications Equipment		2450	544,928	547,935	
	Federal Program 97.055 Total			**544,928**	**547,935**	
97.056	Port Security Grant Program		2250	475,247	0	
97.056		C120059FED-PSG1	2250	64,012	0	PT
97.056		C130082FED-PS2A	2250	418	0	PT
97.056		C130082FED-PSG2	2250	50,460	0	PT
97.056			4050	3,444,731	0	
	Federal Program 97.056 Total			**4,034,868**	**0**	
97.061	Centers for Homeland Security	S11198.01 MOD01	3600	478	0	PT
97.061		S11198.02 MOD02	3600	37,401	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 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
97.061	Centers for Homeland Security	Y503225 MOD5	3600	18,201	0	PT
97.061		504928P0902320	3650	135,611	0	PT
	Federal Program 97.061 Total			**191,691**	**0**	
97.067	Homeland Security Grant Program		2450	2,199,805	2,199,805	
	Federal Program 97.067 Total			**2,199,805**	**2,199,805**	
97.071	Metropolitan Medical Response System		2450	783,568	761,188	
	Federal Program 97.071 Total			**783,568**	**761,188**	
97.077	Homeland Security Research Testing, Evaluation, An		3650	153,373	0	
97.077		WSU001066	3650	122,619	0	PT
	Federal Program 97.077 Total			**275,992**	**0**	
97.078	Buffer Zone Protection Program (Bzpp)		2450	1,955,945	1,893,425	
	Federal Program 97.078 Total			**1,955,945**	**1,893,425**	
97.082	Earthquake Consortium		2450	82,160	0	
	Federal Program 97.082 Total			**82,160**	**0**	
97.088	Disaster Assistance Projects		6990	98,428	0	
	Federal Program 97.088 Total			**98,428**	**0**	
97.089	Driver's License Security Grant Program		2400	531,976	0	
	Federal Program 97.089 Total			**531,976**	**0**	
97.110	Severe Loss Repetitive Program		2450	747,393	723,399	
	Federal Program 97.110 Total			**747,393**	**723,399**	
97.111	Regional Catastrophic Preparedness Grant Program (		2450	1,467,685	1,390,067	
	Federal Program 97.111 Total			**1,467,685**	**1,390,067**	
97.999	Homeland Security - Undetermined		4770	3,982	0	
	Federal Program 97.999 Total			**3,982**	**0**	
	Dept of Homeland Security Total			**89,046,830**	**73,078,586**	

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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	73912100301620AM02	3600	60,096	0	PT
98.001		A197201103ITECHMOD03	3600	462,959	0	PT
98.001		A197201103ITECHMOD032	3600	114,379	0	PT
98.001		SH1211	3600	18,238	0	PT
98.001		UW BUD# 667351	3600	52,560	0	PT
98.001			3650	339,342	92,236	
98.001		42597619276	3650	35,277	0	PT
98.001		WSU001162	3650	218,482	0	PT
	Federal Program 98.001 Total			**1,301,333**	**92,236**	
98.012	Usaid Development Partnerships for University Coop	FAR0018479	3650	18,595	0	PT
	Federal Program 98.012 Total			**18,595**	**0**	
	U.S. Agency for International Development Total			**1,319,928**	**92,236**	

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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	10PO3420000196365AM01	3600	267	0	
99.000		2012-12081600001	3600	59,972	0	
99.000		2012-12081600001 MOD01	3600	3,082	0	
99.000		2012-IJ-CX-0023	3600	46,553	0	
99.000		2012-IJ-CX-0040	3600	40,376	0	
99.000		54558-OX	3600	464	0	PT
99.000		9000000069	3600	2,981	0	PT
99.000		DJJ-11W-ENR01-0522	3600	375,066	0	
99.000		DJJ-13-L-USA86-0009	3600	2,074	0	
99.000		HR 03-96 MOD02	3600	2,362	0	PT
99.000		M10PC00093 MOD04	3600	222,873	0	
99.000		NRCHQ11C040020MOD11	3600	199,876	44,841	
99.000		NRO000-07-C-0044 AM04	3600	(200,000)	0	
99.000		OND1457SE12XXOND101010	3600	30,841	0	
99.000		PO 6832JSB01.04.10	3600	1,607	0	PT
99.000		PROJECT #802UW MOD02	3600	239,580	0	PT
99.000		USIP-212-11F	3600	54,991	0	
99.000		UW BUD# 662497	3600	165,304	0	PT
99.000		UW BUD# 665888	3600	42,269	0	PT
	Federal Program 99.000 Total			**1,290,538**	**44,841**	
99.999	Undetermined Federal Agency		3600	11,231	0	
99.999		1889	3650	(32)	0	PT
99.999		227868	3650	3,949	0	PT
99.999		TEDDWSUOGRD119414	3650	25,506	0	PT
	Federal Program 99.999 Total			**40,654**	**0**	
	Undetermined Fed Agency Total			**1,331,192**	**44,841**	
Federal Programs Not Clustered Total				**4,216,143,516**	**595,149,711**	

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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	102,883	0	
06.161			3650	60,846	1,128	
	Federal Program 06.161 Total			**163,729**	**1,128**	
06.163	Promotion of the Humanities Professional Developme		3800	113,514	0	
	Federal Program 06.163 Total			**113,514**	**0**	
	National Endowment for the Humanities Total			**277,243**	**1,128**	
	National Endowment for the Humanities Total			**277,243**	**1,128**	

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 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	196,314	0	
10.001			3650	2,335,440	0	
10.001		201118169-02	3650	17,873	0	PT
10.001		BJKH65SB001	3650	24,375	0	PT
10.001			3750	23,067	0	
	Federal Program 10.001 Total			**2,597,069**	**0**	
	Agricultural Research Service Total			**2,597,069**	**0**	
10.200	Grants for Agricultural Research, Special Research		3600	679,110	386,593	
10.200			3650	1,391,749	458,537	
10.200		201117720	3650	54,952	0	PT
10.200		201117720WSU1	3650	18,002	0	PT
10.200		201117720WSU3	3650	(5)	0	PT
10.200		201117720WSU4ECS	3650	3,938	0	PT
10.200		20122337205	3650	43,098	0	PT
10.200		20122337209WSUCHAST	3650	9,630	0	PT
10.200		20122337215WSUTMILL	3650	3,549	0	PT
10.200		20122337218WSU	3650	68,287	0	PT
10.200		AFE742346	3650	1,090	0	PT
10.200		BAK306SB002	3650	7,515	0	PT
10.200		BAK465SB001	3650	(2,360)	0	PT
10.200		BAK466SB001	3650	9,275	0	PT
10.200		C0396AE	3650	(207)	0	PT
10.200		C0417AE	3650	15,023	0	PT
10.200		C0427AA	3650	(724)	0	PT
10.200		GPK584SB001	3650	66,797	0	PT
10.200		SA7653	3650	152	0	PT
	Federal Program 10.200 Total			**2,368,871**	**845,130**	
10.202	Cooperative Forestry Research		3600	172,864	0	
10.202			3650	513,186	0	
	Federal Program 10.202 Total			**686,050**	**0**	
10.203	Payments to Agricultural Experiment Stations Under		3650	3,932,256	0	
	Federal Program 10.203 Total			**3,932,256**	**0**	
10.206	Grants for Agricultural Research_competitive Resea		3600	5,020	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
10.206	Grants for Agricultural Research_competitive Resea	PSA #23478 AM01	3600	16,484	0	PT
10.206			3650	330,845	4,745	
10.206		42204819276	3650	14,135	0	PT
10.206		S10200	3650	21,009	0	PT
10.206			3800	2,516	0	
	Federal Program 10.206 Total			**390,009**	**4,745**	
10.207	Animal Health and Disease Research		3650	112,873	0	
	Federal Program 10.207 Total			**112,873**	**0**	
10.212	Small Business Innovation Research	117818	3650	17,509	0	PT
10.212		WSU002491	3650	7,303	0	PT
	Federal Program 10.212 Total			**24,812**	**0**	
10.215	Sustainable Agriculture Research and Education	100893004	3650	67,717	0	PT
10.215		110892004	3650	54,196	0	PT
10.215		110892012	3650	6,401	0	PT
10.215		12083302	3650	13,481	0	PT
10.215		80861009	3650	15,482	0	PT
10.215		80861059	3650	17,292	0	PT
10.215		90758003	3650	8,981	0	PT
10.215		90758039	3650	2,991	0	PT
	Federal Program 10.215 Total			**186,541**	**0**	
10.219	Biotechnology Risk Assessment Research	RR167/551/4787396	3750	34,694	0	PT
	Federal Program 10.219 Total			**34,694**	**0**	
10.227	1994 Institutions Research Program	WSU002241	3650	20,696	0	PT
10.227		WSU002537	3650	5,456	0	PT
	Federal Program 10.227 Total			**26,152**	**0**	
	National Institute of Food and Agriculture Total			**7,762,258**	**849,875**	
10.250	Agricultural and Rural Economic Research		3650	225,956	0	
10.250		110489SF	3650	29,330	0	PT
	Federal Program 10.250 Total			**255,286**	**0**	
	Economic Research Service Total			**255,286**	**0**	
10.307	Organic Agriculture Research and Extension Initiat	C0440AA	3650	25,181	0	PT

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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 10.307 Total			**25,181**	**0**	
10.310	Agriculture and Food Research Initiative (Afri)		3600	5,023,381	3,738,453	
10.310		4500001195PRM011670032	3600	70,943	0	PT
10.310		C0435ABPRIME2011670033	3600	1,010	0	PT
10.310		KFS#5259950 PO#11522	3600	36,782	0	PT
10.310			3650	13,206,424	6,417,057	
10.310		101474002	3650	196,387	0	PT
10.310		2.56321E+12	3650	112,017	0	PT
10.310		20101571807	3650	312,501	0	PT
10.310		20101573903	3650	216,344	0	PT
10.310		20122309005	3650	745	0	PT
10.310		223K974	3650	4,842	0	PT
10.310		238391A	3650	5,966	0	PT
10.310		5.03008E+16	3650	3,189	0	PT
10.310		BJKH55SB001	3650	(12)	0	PT
10.310		BJKL03SB002	3650	1,332,556	0	PT
10.310		C000315874	3650	15,734	0	PT
10.310		C0414CB	3650	20,060	0	PT
10.310		H002413501	3650	11,870	0	PT
10.310		RC101749WSU	3650	9,027	0	PT
10.310		RC2933654693938	3650	17,858	0	PT
10.310		S110072	3650	523,348	0	PT
10.310		SUB2011128	3650	73,629	0	PT
	Federal Program 10.310 Total			**21,194,601**	**10,155,510**	
10.320	Sun Grant Program	C0432GB	3650	109,828	0	PT
	Federal Program 10.320 Total			**109,828**	**0**	
	National Institute of Food and Agriculture Total			**21,329,610**	**10,155,510**	
10.652	Forestry Research		3600	464,336	0	
10.652			3650	64,104	0	
10.652			3800	54,253	0	
	Federal Program 10.652 Total			**582,693**	**0**	
10.680	Forest Health Protection		3650	10,199	0	
10.680			4900	352,950	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 10.680 Total			**363,149**	**0**	
	Forest Service Total			**945,842**	**0**	
10.961	Scientific Cooperation and Research		3650	24,080	0	
10.961		800051140	3650	8,701	0	PT
	Federal Program 10.961 Total			**32,781**	**0**	
	Foreign Agricultural Service Total			**32,781**	**0**	
	Dept of Agriculture Total			**32,922,846**	**11,005,385**	

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Research and 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
11.417	Sea Grant Support		3600	3,493,817	222,790	
11.417		1003120003054PO49401	3600	41,128	0	PT
11.417		NA2233-B AM03	3600	54,098	0	PT
11.417		R/CONT-217PD	3600	(768)	0	PT
11.417		R/CONT-222PD	3600	2,871	0	PT
11.417		RFISH208MODSUB10305312	3600	64,608	0	PT
	Federal Program 11.417 Total			**3,655,754**	**222,790**	
11.420	Coastal Zone Management Estuarine Research Reserve		3600	20,000	0	
11.420			4610	830,520	0	
	Federal Program 11.420 Total			**850,520**	**0**	
11.427	Fisheries Development and Utilization Research And		3600	97,340	0	
11.427		AM02	3600	34,734	0	PT
11.427		PRIME#NA09NMF4270092	3600	5,787	0	PT
	Federal Program 11.427 Total			**137,861**	**0**	
11.431	Climate and Atmospheric Research		3600	1,226,142	21,885	
11.431		NA226B-D AM02	3600	62,579	0	PT
	Federal Program 11.431 Total			**1,288,721**	**21,885**	
11.432	Office of Oceanic and Atmospheric Research (Oar) J		3600	12,567,944	101,625	
11.432		PO#3001446790 AM02	3600	9,753	0	PT
11.432		Z972055 AM01	3600	10,262	0	PT
	Federal Program 11.432 Total			**12,587,959**	**101,625**	
11.440	Environmental Sciences, Applications, Data, and Ed	UW BUD# 663275	3600	15,349	0	PT
	Federal Program 11.440 Total			**15,349**	**0**	
11.467	Meteorologic and Hydrologic Modernization Developm		2450	612,544	238,893	
11.467		Z10-81101, MOD02	3600	(21)	0	PT
	Federal Program 11.467 Total			**612,523**	**238,893**	
11.468	Applied Meteorological Research		3600	3,926	0	
	Federal Program 11.468 Total			**3,926**	**0**	
11.472	Unallied Science Program		3600	38,521	0	
11.472		#1006	3600	98,555	0	PT
11.472		1009	3600	43,442	0	PT
11.472		1103	3600	43,147	0	PT

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Dept of Commerce

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11.472	Unallied Science Program	12-85-10 AM01	3600	72,604	0	PT
11.472		1207	3600	36,237	0	PT
11.472		B 59 AM02	3600	147	0	PT
11.472		B 70 AM03	3600	50,019	0	PT
11.472		B 71 AM03	3600	26,862	0	PT
11.472		B 73 AM02	3600	99,485	0	PT
11.472		B61 AM01	3600	12,286	0	PT
11.472		B62 AM02	3600	1,944	0	PT
11.472		B69 AM01	3600	4,246	0	PT
11.472		F2852-03	3600	(78)	0	PT
11.472		G82	3600	60,332	0	PT
11.472		G82/F5182-01	3600	7,841	0	PT
11.472		G83	3600	93,963	0	PT
11.472		G83/F5183-01	3600	178,168	0	PT
11.472		G84/F5184-01	3600	78,736	0	PT
11.472		G83/F5183-04	3800	142,673	0	PT
11.472			4770	235,509	0	
11.472		020-10258-ISA-FISH	4770	204,831	0	PT
11.472		020-10259-ISA-FISH	4770	255,911	0	PT
	Federal Program 11.472 Total			**1,785,381**	**0**	
	National Oceanic and Atmospheric Administration (N Total			**20,937,994**	**585,193**	
11.609	Measurement & Engineering Research & Stand		3600	172,165	51,151	
	Federal Program 11.609 Total			**172,165**	**51,151**	
	National Institute of Standards and Technology (Ni Total			**172,165**	**51,151**	
11.609	Measurement & Engineering Research & Stand		3650	67,375	0	
	Federal Program 11.609 Total			**67,375**	**0**	
	National Oceanic and Atmospheric Administration (N Total			**67,375**	**0**	
11.609	Measurement & Engineering Research & Stand	10305702	3650	27,747	0	PT
11.609			3750	7,140	0	
11.609			6990	1,519	0	
	Federal Program 11.609 Total			**36,406**	**0**	
	National Institute of Standards and Technology (Ni Total			**36,406**	**0**	
	Dept of Commerce Total			**21,213,940**	**636,344**	

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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	C130156FED-HCB3	2250	90,244	0	
12.000		C130156FED-LBL3	2250	54,777	0	
	Federal Program 12.000 Total			**145,021**	**0**	
	Department of the Navy, Office of the Chief of Nav Total			**145,021**	**0**	
12.000	DOD - Contract Number Only Provided	#27-001389	3600	53,862	0	PT
12.000		#27-001389 MOD04	3600	192,834	0	PT
12.000		#27-001389 MOD05	3600	85,078	0	PT
12.000		0000105660	3600	(23)	0	PT
12.000		0000120090	3600	7,854	0	PT
12.000		02454	3600	(1,043)	0	PT
12.000		041301	3600	(46,360)	0	PT
12.000		1011078-259568 AM07	3600	63,158	0	PT
12.000		12-S587-116-01-C1	3600	78,425	0	PT
12.000		19-000234	3600	20,242	0	PT
12.000		27-001340 MOD08	3600	246,617	0	PT
12.000		27-001341 MOD07	3600	(93)	0	PT
12.000		29030420-50473-B	3600	99,744	0	PT
12.000		3002148124	3600	74,296	0	PT
12.000		3002531628	3600	67,714	0	PT
12.000		69-000535 MOD2	3600	158,711	0	PT
12.000		69-000535 MOD4	3600	242,228	0	PT
12.000		7000087866700002970 1CO	3600	35,487	0	PT
12.000		744450 MOD07	3600	40,146	0	PT
12.000		754344	3600	1,475	0	PT
12.000		757916	3600	33,447	0	PT
12.000		809864 MOD01	3600	107,049	0	PT
12.000		832705-1	3600	70,648	0	PT
12.000		9500009783 MOD13	3600	398,680	0	PT
12.000		955492 MOD06	3600	(520)	0	PT
12.000		A66831	3600	53,558	0	PT
12.000		A69823	3600	69,508	0	PT
12.000		A73523 PO# 37591	3600	14,379	0	PT
12.000		AM01	3600	8,946	0	PT
12.000		AM02	3600	4,267	0	PT
12.000		AMENDMENT NO.6	3600	(5,148)	0	PT

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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12.000	DOD - Contract Number Only Provided	APS-11-12 MOD14	3600	449,692	0	PT
12.000		BBNPO9500011256MOD01	3600	212,408	0	PT
12.000		CLPERS12D1HEX5080	3600	234,098	0	
12.000		FA3300-11-P-0167	3600	1,599	0	
12.000		FA8750-12-C-0174 MOD03	3600	829,125	148,755	
12.000		FA95500910060P000032	3600	12,675	0	
12.000		GRANT PT100068	3600	69,735	0	PT
12.000		H98230-10-C-0289, P01	3600	30,572	0	
12.000		H9823010C02630000AMP00	3600	96,606	0	
12.000		H9823010C02890000MODP0	3600	19,355	0	
12.000		HDTRA1-11-C-0026 AM03	3600	46,420	0	PT
12.000		HDTRA1-11-C-0026 AM04	3600	276,818	0	PT
12.000		IPA #1204	3600	145,643	0	
12.000		KG112GEORGESJISIBCR	3600	4,784	0	PT
12.000		MSACON0054394059MOD01	3600	162,266	0	PT
12.000		N-00014-11-1-0436-001	3600	13,814	0	PT
12.000		N000014-09-D-0584	3600	3,243	0	PT
12.000		N00014-07-G-0557/0009	3600	349,869	0	
12.000		N00014-07-G-0557/0011	3600	406,106	0	
12.000		N00014-07-G-0557/0012	3600	83,307	0	
12.000		N00014-07-G-0557/0018	3600	86,990	0	
12.000		N00014-07-G-0557/0019	3600	124,253	0	
12.000		N00014-07-G-0557/0022	3600	1,070,230	199,363	
12.000		N00014-07-G-0557/0023	3600	61,770	0	
12.000		N00014-07-G-0557/0024	3600	80,400	0	
12.000		N00014-07-G-0557/0026	3600	(1,134)	0	
12.000		N00014-07-G-0557/0028	3600	179,336	0	
12.000		N00014-07-G-0557/0029	3600	294,701	0	
12.000		N00014-07-G-0557/0031	3600	339,686	0	
12.000		N00014-07-G-0557/0032	3600	399,942	0	
12.000		N00014-07-G-0557/0033	3600	1	0	
12.000		N00014-07-G-0557/0035	3600	1,268	0	
12.000		N00014-12-C-0158	3600	2,437,327	0	
12.000		N00014-12-D-0577/0001	3600	320,640	0	
12.000		N00014-12-G-0078-0012	3600	32,456	0	
12.000		N00014-12-G-0078/0002	3600	80,594	0	

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12.000	DOD - Contract Number Only Provided	N00014-12-G-0078/0003	3600	42,114	0	
12.000		N00014-12-G-0078/0004	3600	158,378	0	
12.000		N00014-12-G-0078/0009	3600	673,874	0	
12.000		N00014-12-G-0078/0010	3600	47,471	0	
12.000		N00014-12-G-0078/0013	3600	23,607	0	
12.000		N00024-02-D-6602	3600	101,923	0	
12.000		N00024-02-D-6602/0110	3600	258,356	0	
12.000		N00024-02-D-6602/0115	3600	30,615	0	
12.000		N00024-02-D-6602/0118	3600	20,586	0	
12.000		N00024-02-D-6602/0121	3600	202,700	0	
12.000		N00024-10-D-6318/0004	3600	55,632	0	
12.000		N00024-10-D-6318/0006	3600	117,323	0	
12.000		N00024-10-D-6318/0008	3600	36,631	0	
12.000		N00024-10-D-6318/0009	3600	116	0	
12.000		N00024-10-D-6318/0011	3600	563	0	
12.000		N00024-10-D-6318/0012	3600	299,617	0	
12.000		N00024-10-D-6318/0015	3600	32,627	0	
12.000		N00024-10-D-6318/0018	3600	171,586	17,302	
12.000		N00024-10-D-6318/0019	3600	195,089	0	
12.000		N00024-10-D-6318/0020	3600	319,018	0	
12.000		N00024-10-D-6318/0021	3600	607,696	0	
12.000		N00024-10-D-6318/0022	3600	34,470	0	
12.000		N00024-10-D-6318/0023	3600	58,884	0	
12.000		N00024-10-D-6318/0024	3600	1,030,529	78,237	
12.000		N00024-10-D-6318/0025	3600	44,548	0	
12.000		N00024-10-D-6318/0026	3600	54,932	0	
12.000		N00024-10-D-6318/0027	3600	1,667	0	
12.000		N0002410D63180012MOD08	3600	(34,902)	0	
12.000		N0002410D6318002401	3600	1,480,836	0	
12.000		N00167-10-D-0002/0001	3600	1,347	0	
12.000		N00167-10-D-0002/0004	3600	157,719	0	
12.000		N00167-10-D-0002/0005	3600	790,949	0	
12.000		N00167-10-D-0002/0007	3600	64,316	0	
12.000		N00167-10-D-0002/0008	3600	5,069	0	
12.000		N00167-10-D-0002/0009	3600	1,866,465	0	
12.000		N00167-10-D-0002/0010	3600	481,939	0	

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12.000	DOD - Contract Number Only Provided	N00167-10-D-0002/0011	3600	2,334,407	0	
12.000		N00167-10-D-0002/0012	3600	202,343	0	
12.000		N00167-10-D-0002/0013	3600	42,293	0	
12.000		N00167-10-D-0002/0014	3600	2,496	0	
12.000		N00167-10-D-0002/0015	3600	798	0	
12.000		N00167-10-D-0002/0016	3600	95,693	0	
12.000		N00259-10-P-1789	3600	9,078	0	
12.000		N0025912P0094P00002	3600	29,661	0	
12.000		NOOO24-10-D-6318/0004	3600	81,765	0	
12.000		PO #10291495-007	3600	327,048	0	PT
12.000		PO #2273	3600	67,432	0	PT
12.000		PO #69652	3600	1,374	0	PT
12.000		PO 950620	3600	46,632	0	PT
12.000		PO# 10313249-002	3600	702,022	0	PT
12.000		PO# 28300	3600	85	0	PT
12.000		PO# 28458	3600	28,407	0	PT
12.000		PO# 28600	3600	264	0	PT
12.000		PO#2000859125 MOD02	3600	53,178	0	PT
12.000		PO#2000859125 MOD03	3600	80,475	0	PT
12.000		PO#4100466305 AM03	3600	72,269	0	PT
12.000		RM102A-B AM02	3600	49,502	0	PT
12.000		RS120383MOD2	3600	40,445	0	PT
12.000		S95-0079 AM03	3600	29,122	0	PT
12.000		SBIR01UOW2012060601	3600	14,211	0	PT
12.000		SC1012001 MOD01	3600	19,764	0	PT
12.000		SPM7M9-12-M-2529	3600	(32)	0	
12.000		STTR AGREEMENT	3600	58,950	0	PT
12.000		UW BUD# 622009	3600	68,528	0	PT
12.000		UW BUD# 634021	3600	(1)	0	PT
12.000		UW BUD# 634257	3600	(19)	0	PT
12.000		UW BUD# 637561	3600	2,459	0	PT
12.000		UW BUD# 638300	3600	10,023	0	PT
12.000		UW BUD# 638538	3600	427	0	PT
12.000		UW BUD# 663906	3600	26,759	0	PT
12.000		UW BUD# 664477	3600	124,285	0	PT
12.000		UW BUD# 665286	3600	18,169	0	PT

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12.000	DOD - Contract Number Only Provided	UW BUD# 665387	3600	34,086	0	PT
12.000		UW BUD# 666332	3600	19,348	0	PT
12.000		W68MD922723559FY132IPA	3600	41,560	0	
12.000		W81XWH-11-1-0588 MOD02	3600	171,151	0	
12.000		W81XWH-11-2-0037	3600	435,176	0	
12.000		W81XWH-12-C-0281	3600	158,892	0	
12.000		W81XWH1310066PO0010274	3600	26,831	0	
12.000		W911QX-12-C-0163 AMP01	3600	531,398	0	
12.000		W911SD08P0650P00003	3600	(44)	0	
12.000		W912EF-12-C0008	3600	75,746	0	
12.000		W912EF-13-C0009 MOD01	3600	25,483	0	
12.000		W912HQ-10-C-0014 AMP05	3600	349,306	202,524	
12.000		W912HQ-10-C-0070	3600	345,044	0	
12.000		W912HQ-11-C-0053 P03	3600	272,209	0	
12.000		W912HQ-12-C-0016 MOD02	3600	408,249	0	
12.000		W912HQ-12-C-0049 P02	3600	153,937	0	
12.000		W912HQ-12-P-0117	3600	80,804	0	
12.000		W912HQ-13-C-0023	3600	6,221	0	
12.000		W912HQ06C0052P00007	3600	(23,731)	0	
12.000		W912HQ08C0050P00004	3600	304,548	230,895	
12.000		W912HZ11C0033P00001	3600	42,401	0	
12.000		W91WAW09C0087MODP00003	3600	(12,771)	0	
12.000		1	3650	8,446	0	
12.000		1.31699E+12	3650	133,995	0	PT
12.000		1007712	3650	6,667	0	
12.000		1007812	3650	682	0	
12.000		1232	3650	2,625	0	PT
12.000		1345	3650	180	0	PT
12.000		2	3650	153,597	0	
12.000		2001520332	3650	144,237	0	PT
12.000		54680	3650	149,003	0	PT
12.000		739623	3650	(3,350)	0	PT
12.000		950621	3650	25,482	0	PT
12.000		HT9404121TS07	3650	8,488	0	PT
12.000		IPA120004	3650	62,727	0	
12.000		IPA120005	3650	47,967	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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12.000	DOD - Contract Number Only Provided	N0025312P0168	3650	2,321	0	
12.000		N0025312P0174	3650	10,035	0	
12.000		N0025312P0324	3650	20,000	0	
12.000		N0040610P8803	3650	(367)	0	
12.000		N0040611P5945	3650	(184)	0	
12.000		N0040611P6035	3650	(116)	0	
12.000		N0040612P1173	3650	4,735	0	
12.000		N0040612P5112	3650	8,281	0	
12.000		N0040613P1432	3650	6,727	0	
12.000		N6133112P5002	3650	3,433	0	
12.000		NAFBA113M0195	3650	1,637	0	
12.000		NAFBA113M0237	3650	5,100	0	
12.000		P010058810	3650	(32,796)	0	PT
12.000		W9113M09C0075	3650	774,639	0	
12.000		W911NF1210254	3650	50,000	0	
12.000		W911NF13C0031	3650	44,761	0	
12.000		W912EF09C0001	3650	38,330	0	
12.000		W912HQ07C0003	3650	182,800	0	
12.000		W912HQ09C0005	3650	(4)	0	
12.000		W91CRB11C0165	3650	253,014	0	
12.000		W91CRB12C0059	3650	56,880	0	
12.000		WAC20120220	3650	5,601	0	PT
12.000		WSU002	3650	87,915	0	PT
12.000		WSU003	3650	14,894	0	PT
12.000		WSU005	3650	88,598	0	PT
12.000		WSU007	3650	6,390	0	PT
12.000		12-85	4770	6,444	0	PT
12.000		12-86	4770	6,764	0	PT
12.000		12-87	4770	24,115	0	PT
12.000		W911S810D0022	6990	213,720	0	
	Federal Program 12.000 Total			**31,276,620**	**877,076**	
12.000A	ARRA - DOD - Contract Number Only Provided	6407-001-001-CS-S	3600	12,346	0	PT
	Federal Program 12.000A Total			**12,346**	**0**	
	DOD Contract Number Only Provided Total			**31,288,966**	**877,076**	

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12.300	Basic and Applied Scientific Research		3600	22,538,064	2,674,023	
12.300		1010542 AM02	3600	58,681	0	PT
12.300		1010542 AM03	3600	82,486	0	PT
12.300		10276960-MOD11	3600	103,789	0	PT
12.300		1141207-236198 AM08	3600	184,921	0	PT
12.300		1141221-293180 AM01	3600	30,810	0	PT
12.300		2008-2038 AM07	3600	5,761	0	PT
12.300		26-0201-15 UOW AM01	3600	174	0	PT
12.300		26-0201-15 UOW AM02	3600	11,584	0	PT
12.300		2GG007783PRFA875122034	3600	37,912	0	PT
12.300		3002336447 AM14	3600	5,888	0	PT
12.300		421-23-01-AM05	3600	3,843	0	PT
12.300		5710002230 MOD012	3600	13,620	0	PT
12.300		66654TAM01	3600	73,632	0	PT
12.300		A101011	3600	24,173	0	PT
12.300		GG11431-138081 AM02	3600	75,515	0	PT
12.300		N000141110450UWAMOD03	3600	48,344	0	PT
12.300		UAF 08-0047MOD06	3600	3,290	0	PT
12.300			3650	1,489,595	0	
12.300		5710002043	3650	(23)	0	PT
12.300		KKK696SB001	3650	7,547	0	PT
12.300		PO10060234	3650	123,804	0	PT
12.300			4770	144,984	0	
	Federal Program 12.300 Total			**25,068,394**	**2,674,023**	
12.350	Department of Defense HIV/AIDS Prevention Program		3600	1,027,166	0	
	Federal Program 12.350 Total			**1,027,166**	**0**	
	Department of the Navy, Office of the Chief of Nav Total			**26,095,560**	**2,674,023**	
12.351	Basic Scientific Research - Combating Weapons of M		3600	1,085,646	34,727	
12.351		28545260-52123-A	3600	21,257	0	PT
12.351		28545260-52123-A AM01	3600	192,732	0	PT
12.351		UTA11-000762	3600	5,405	0	PT
12.351		UTA11-000762 AM01	3600	85,355	0	PT
12.351			3650	1,165,627	32,815	
	Federal Program 12.351 Total			**2,556,022**	**67,542**	

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	Office of the Secretary of Defense Total			**2,556,022**	**67,542**	
12.420	Military Medical Research and Development		3600	7,211,872	443,823	
12.420		0000697387 AM03	3600	45,612	0	PT
12.420		10274SUB	3600	28,694	0	PT
12.420		10313538-001	3600	1,455	0	PT
12.420		10313538-002	3600	3,533	0	PT
12.420		364271-SUB 2 A3	3600	290,728	0	PT
12.420		671800 MOD03	3600	294,897	0	PT
12.420		6749SC AM01	3600	28,410	0	PT
12.420		ABAUNDERPRIMEW81XWH092	3600	71,251	0	PT
12.420		ARM333 AM01	3600	230,513	0	PT
12.420		JPAPORM160OCONNJ2SIBCR	3600	43,087	0	PT
12.420		KG112GEORGESJ2SIBCR	3600	35,945	0	PT
12.420		KG112SRISUB4SIBCR	3600	24,234	0	PT
12.420		MIC.UW01.0911	3600	158,107	0	PT
12.420		PO # 2001589471	3600	20,888	0	PT
12.420		PO#0000851890	3600	40,272	0	PT
12.420		PO669701AGR2076MOD03	3600	48,094	0	PT
12.420		PO713003AGR2252MOD02	3600	95,111	0	PT
12.420		R01477 AM02	3600	274,083	0	PT
12.420		W81XWH-10-1-1039	3600	10,638	0	PT
12.420		WC19-SIKKEC-2-SIBCR	3600	20,844	0	PT
12.420			3650	809,148	0	
12.420		S119001	3650	898	0	PT
	Federal Program 12.420 Total			**9,788,314**	**443,823**	
	U.S. Army Medical Command Total			**9,788,314**	**443,823**	
12.431	Basic Scientific Research		3600	2,071,895	928,658	
12.431		11-IARPA-1009 MOD02	3600	67,777	0	PT
12.431		11-IARPA-1009 MOD03	3600	424,807	0	PT
12.431		28D 1083900 MOD07	3600	17,113	0	PT
12.431		C13J11497 (J00210)	3600	40,291	0	PT
12.431		C13J11497J00210AM01	3600	8,363	0	PT
12.431		G-2308-1 AM06	3600	747,696	0	PT
12.431		Z848401	3600	81,227	0	PT
12.431		Z848401 AM I	3600	248,603	0	PT

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12.431	Basic Scientific Research		3650	476,154	23,441	
12.431		ARL10NWMIWSU120610	3650	78,662	0	PT
	Federal Program 12.431 Total			**4,262,588**	**952,099**	
	U.S. Army Materiel Command Total			**4,262,588**	**952,099**	
12.630	Basic, Applied, & Adv Resch In Sci & Eng		3600	348,185	4,583	
12.630		4500000027 AM06	3600	1,477	0	PT
	Federal Program 12.630 Total			**349,662**	**4,583**	
	Office of the Secretary of Defense Total			**349,662**	**4,583**	
12.800	Air Force Defense Resch Sciences Program		3600	2,823,132	544,591	
12.800		1-1201	3600	20,000	0	PT
12.800		11-708B-00 AM02	3600	182,425	0	PT
12.800		2 (ACCT. #5-22395)	3600	121,883	0	PT
12.800		36071	3600	32,735	0	PT
12.800		7H-1090612 AM02	3600	588,541	0	PT
12.800		A70702	3600	30,175	0	PT
12.800		RB250-G3 AM07	3600	413,850	0	PT
12.800		UND-201563 AM05	3600	113,160	0	PT
12.800		UW BUD# 666467	3600	40,000	0	PT
12.800			3650	437,307	0	
	Federal Program 12.800 Total			**4,803,208**	**544,591**	
	Department of the Air Force, Materiel Command Total			**4,803,208**	**544,591**	
12.902	Information Security Grant Program		3600	85,482	0	
	Federal Program 12.902 Total			**85,482**	**0**	
	National Security Agency Total			**85,482**	**0**	
12.910	Research and Technology Development		2270	62,619	0	
12.910			3600	6,548,751	2,222,781	
12.910		0000736836	3600	23,635	0	PT
12.910		220587	3600	45,734	0	PT
12.910		251658	3600	100,574	0	PT
12.910		25969810-50204-A	3600	(743)	0	PT
12.910		25969810-50204-A AM03	3600	15,028	0	PT
12.910		554995 AM01	3600	147,977	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 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
12.910	Research and Technology Development	A65164	3600	28,079	0	PT
12.910		PO# 37591	3600	(6,046)	0	PT
12.910		RA231G2W31P4Q0910012AM	3600	430,491	0	PT
12.910			3650	3,414,210	1,419,504	
	Federal Program 12.910 Total			**10,810,309**	**3,642,285**	
	Advanced Research Projects Agency Total			**10,810,309**	**3,642,285**	
	Dept of Defense Total			**90,185,132**	**9,206,022**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

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
14.008	Transformation Initiative: Choice Neighborhoods		3000	17,864	0	
	Federal Program 14.008 Total			**17,864**	**0**	
	Office of Policy Development and Research Total			**17,864**	**0**	
	Housing & Urban Development Total			**17,864**	**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
15.560	Secure Water Act - Research Agreements		3600	5,289	0	
	Federal Program 15.560 Total			**5,289**	**0**	
	Bureau of Reclamation Total			**5,289**	**0**	
15.650	Research Grants (Generic)		3600	162,378	8,106	
15.650		1201-060	3600	2,908	0	PT
15.650		WA-S-110321-117 AM02	3600	14,534	0	PT
15.650		WA-S-2011-006-2	3600	10,142	0	PT
15.650			3650	182,114	0	
15.650			4770	176,210	0	
	Federal Program 15.650 Total			**548,286**	**8,106**	
15.664	Fish & Wildlife Coordination & Assistance Programs		3600	83,409	0	
	Federal Program 15.664 Total			**83,409**	**0**	
15.669	Cooperative Landscapte Conservation		3600	16,738	0	
15.669		F12AP00833	3600	5,063	0	PT
	Federal Program 15.669 Total			**21,801**	**0**	
	Fish and Wildlife Service Total			**653,496**	**8,106**	
15.805	Assistance to State Water Resources Research Insti		3650	96,524	41,143	
	Federal Program 15.805 Total			**96,524**	**41,143**	
15.807	Earthquake Hazards Reduction Program		3600	1,031,535	0	
15.807			3750	77,037	0	
	Federal Program 15.807 Total			**1,108,572**	**0**	
15.808	U.S. Geological Survey_ Research and Data Collecti		2450	3,215	0	
15.808			3600	428,839	0	
15.808		UFA 13-0057	3600	11,952	0	PT
15.808			3650	122,811	0	
15.808			3700	23,000	0	
15.808			3750	31,956	0	
15.808			3800	9,995	0	
15.808			4610	102,271	0	
15.808			4770	64,724	0	
	Federal Program 15.808 Total			**798,763**	**0**	
15.812	Cooperative Research Units Program		3600	525,230	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 15.812 Total			**525,230**	**0**	
	U.S. Geological Survey Total			**2,529,089**	**41,143**	
15.945	Cooperative Research & Training Pgrom Resources Na		3600	879,687	6,022	
15.945			3750	9,942	0	
15.945			3800	56,013	0	
	Federal Program 15.945 Total			**945,642**	**6,022**	
	National Park Service Total			**945,642**	**6,022**	
	Dept of the Interior Total			**4,133,516**	**55,271**	

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	749,600	77,130	
	Federal Program 16.560 Total			**749,600**	**77,130**	
	National Institute of Justice Total			**749,600**	**77,130**	
	Dept of Justice Total			**749,600**	**77,130**	

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 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
20.109	Air Transportation Centers of Excellence		3600	160,423	0	
	Federal Program 20.109 Total			**160,423**	**0**	
	Federal Aviation Administration (Faa) Total			**160,423**	**0**	
20.200	Highway Research and Development Program	A67853	3600	58,846	0	PT
20.200		FABLD-09-171 AM02	3600	(1)	0	PT
20.200		KLK262-SB-004 AM04	3600	35,257	0	PT
20.200			3650	224,511	0	
20.200		KLK262SB003	3650	4,476	0	PT
20.200			3700	289,801	0	
	Federal Program 20.200 Total			**612,890**	**0**	
	Federal Highway Administration (Fhwa) Total			**612,890**	**0**	
20.514	Public Transportation Research	42660001	3600	93,949	0	PT
	Federal Program 20.514 Total			**93,949**	**0**	
	Federal Transit Administration (Fta) Total			**93,949**	**0**	
20.761	Biobased Transportation Research	T0013GA	3650	28,906	0	PT
	Federal Program 20.761 Total			**28,906**	**0**	
	Federal Motor Carrier Safety Administration Total			**28,906**	**0**	
	Dept of Transportation Total			**896,168**	**0**	

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Research and Development

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
43.003	Exploration		3600	240,548	5,132	
	Federal Program 43.003 Total			**240,548**	**5,132**	
43.009	Cross Agency Support		3600	67,742	0	
	Federal Program 43.009 Total			**67,742**	**0**	
	National Aeronautic & Space Administration Total			**308,290**	**5,132**	
	National Aeronautics & Space Admin Total			**308,290**	**5,132**	

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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	10,593,588	1,439,609	
47.041		130323 AM01	3600	52	0	PT
47.041		205-01 AM01	3600	58,547	0	PT
47.041		44771-7473	3600	36,953	0	PT
47.041		44771-7473 AM21	3600	96,151	0	PT
47.041		44771-7473 AM22	3600	603,553	0	PT
47.041		478496-19124 MOD02	3600	80,923	0	PT
47.041		478497-19124 MOD01	3600	3,500	0	PT
47.041		72209	3600	26,245	0	PT
47.041		IIP-1127360	3600	51,783	0	PT
47.041		NEES-4101-31868 AM10	3600	73,448	0	PT
47.041		R3D381	3600	18,470	0	PT
47.041		R3D381 AM01	3600	151,075	0	PT
47.041		UW BUD# 638771	3600	(107)	0	PT
47.041			3650	2,356,881	141,874	
47.041		410151649	3650	23,556	0	PT
47.041		WSU002184	3650	101,170	0	PT
47.041			3700	79,338	0	
47.041			3800	68,763	0	
47.041		260118A	6990	13,771	0	PT
	Federal Program 47.041 Total			**14,437,660**	**1,581,483**	
47.049	Mathematical and Physical Sciences		3600	16,610,876	3,321,555	
47.049		2009-01366-01 AM04	3600	103,292	0	PT
47.049		20090136601A2860085556	3600	16,321	0	PT
47.049		201231AMO1PRIMEPHY0715	3600	41,815	0	PT
47.049		202048UW	3600	147,560	0	PT
47.049		202054	3600	30,596	0	PT
47.049		7443-2307AM	3600	46,802	0	PT
47.049		C44009L AM08	3600	281,468	0	PT
47.049		C44036L AM05	3600	143,420	0	PT
47.049		C44051L/AM03	3600	72,504	0	PT
47.049		C44068L AM03	3600	82,208	0	PT
47.049		FP044186PHY1003940AM01	3600	34,520	0	PT
47.049		S0183165AM02	3600	181,240	0	PT
47.049		S1235A-A AM01	3600	16,799	0	PT

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National Science Foundation

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47.049	Mathematical and Physical Sciences	S880653	3600	52,718	0	PT
47.049			3650	2,076,714	23,674	
47.049		AMK869SB001	3650	56,558	0	PT
47.049			3700	64,279	0	
47.049			3750	120,602	0	
47.049			3760	17,327	0	
47.049			3800	597,492	0	
47.049		DUE 0532618	6990	2,500	0	PT
	Federal Program 47.049 Total			**20,797,611**	**3,345,229**	
47.050	Geosciences		3600	17,986,177	259,219	
47.050		12053604	3600	18,294	0	PT
47.050		208991B AM02	3600	30,859	0	PT
47.050		340038-55900	3600	11,588	0	PT
47.050		39017989	3600	48,414	0	PT
47.050		4 (GG002456) AM06	3600	47,294	0	PT
47.050		45-DMS AM02	3600	76,011	0	PT
47.050		A100582 AM04	3600	69,766	0	PT
47.050		BA-85 POT334A85	3600	7,595	0	PT
47.050		G-3045-5 AM06	3600	14,680	0	PT
47.050		G-3624-12AM02	3600	68,058	0	PT
47.050		GSTCN0001A7.UW	3600	(5,834)	0	PT
47.050		GSTCN0001A7.UW MOD08	3600	(58,362)	0	PT
47.050		GSTCN010652UWAPLAM2	3600	29,964	0	PT
47.050		GSTCN0106S6-UW AM03	3600	100,476	0	PT
47.050		OCE-1155379-001	3600	7,165	0	PT
47.050		P.O. T344A85	3600	23,218	0	PT
47.050		RB701-G1	3600	50,275	0	PT
47.050		SA 9-09	3600	9,993,560	0	PT
47.050		SA 9-09 MOD	3600	8,089	0	PT
47.050		SA 9-09 MOD 12	3600	5,845,541	0	PT
47.050		SA 9-09 MOD 18	3600	17,310	0	PT
47.050		SA 9-09 MOD 2	3600	18,848	0	PT
47.050		SA 9-09 MOD 29	3600	7,850	0	PT
47.050		SA 9-09 MOD 5	3600	9,760,721	0	PT
47.050		Z12-96689	3600	9,965	0	PT

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National Science Foundation

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47.050	Geosciences		3650	820,305	14,411	
47.050			3750	232,477	(16)	
47.050			3800	1,051,611	0	
47.050		10009041	3800	15,858	0	PT
47.050		207391C	3800	74,824	0	PT
47.050		FP3389	3800	3,086	0	PT
47.050		T325A77,T331B77,T331A7	3800	7,587	0	PT
47.050			6990	20,558	0	
	Federal Program 47.050 Total			**46,413,828**	**273,614**	
47.070	Computer and Information Science and Engineering		3600	10,834,188	199,045	
47.070		00002083 MOD01	3600	3,816	0	PT
47.070		1549807	3600	49,866	0	PT
47.070		58007-9069 AM03	3600	44,121	0	PT
47.070		60167194-106431-A	3600	59,787	0	PT
47.070		A31928/FA18338 AM08	3600	248,859	0	PT
47.070		AM02	3600	10,993	0	PT
47.070		CIF-C-58 AM01	3600	92,183	0	PT
47.070		CIF-C-64 AM01	3600	36,324	0	PT
47.070		CIF-D-002	3600	24,019	0	PT
47.070		CIF-E-002 AM02	3600	74,548	0	PT
47.070		EQ2012-36	3600	11,104	0	PT
47.070		PO 10311160-SUB MOD02	3600	5,157	0	PT
47.070		PO#9500009460 MOD06	3600	(1,113)	0	PT
47.070			3650	876,921	54,926	
	Federal Program 47.070 Total			**12,370,773**	**253,971**	
47.074	Biological Sciences		3600	6,797,953	209,427	
47.074		211025-UW AM01	3600	8,240	0	PT
47.074		252F195 AM03	3600	174,809	0	PT
47.074		61-2075UW AM03	3600	96,420	0	PT
47.074		61-2075UW AM05	3600	140,513	0	PT
47.074		61-2075UW AM06	3600	205,133	0	PT
47.074		6110567/RFS900119 AM03	3600	77,570	0	PT
47.074		63655-9675 AM01	3600	101,189	0	PT
47.074			3650	5,851,208	1,245,403	
47.074		602479191	3650	34,777	0	PT

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National Science Foundation

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47.074	Biological Sciences	Z370805	3650	48,959	0	PT
47.074			3750	18,508	0	
47.074		FY2011-099/IOS0951254	3750	34,590	0	PT
47.074			3760	40,193	0	
47.074			3800	418,017	0	
	Federal Program 47.074 Total			**14,048,079**	**1,454,830**	
47.075	Social, Behavioral, and Economic Sciences		3600	4,884,135	1,485,322	
47.075		0000021057	3600	7,035	0	PT
47.075		0000021943	3600	4,690	0	PT
47.075		11-471	3600	9,652	0	PT
47.075		13007301A00PO000134381	3600	5,319	0	PT
47.075		31-177622SA-01	3600	82,104	0	PT
47.075		4993-A	3600	4,510	0	PT
47.075		DG12-64	3600	17,302	0	PT
47.075		PO 10321094-001	3600	44,303	0	PT
47.075			3650	293,874	0	
47.075			3750	70,248	116	
47.075			3800	3,561	0	
	Federal Program 47.075 Total			**5,426,733**	**1,485,438**	
47.076	Education and Human Resources		3600	14,554,267	1,423,545	
47.076		10-087	3600	9,343	0	PT
47.076		201ERV282 AM01	3600	26,973	0	PT
47.076		527631-004 AM02	3600	28,931	0	PT
47.076		FY11.455.001_AMD02_UWA	3600	15,275	0	PT
47.076		G-3437	3600	(588)	0	PT
47.076		GKA10-0032	3600	60,208	0	PT
47.076		NSF EDGE/REESE 7026	3600	40,516	0	PT
47.076		RC101209UWDRL1228034AM	3600	64,079	0	PT
47.076		RC101209UWPRIMEDRL1228	3600	15,669	0	PT
47.076		S-DUE-1238253-UW1	3600	56,780	0	PT
47.076		UR ACCT#5-23450 AM1	3600	2,267	0	PT
47.076			3650	3,554,489	354,148	
47.076		1.20345E+14	3650	4,932	0	PT
47.076		201202Q	3650	16,306	0	PT
47.076		3558WSUNSF3747	3650	13,292	0	PT

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47.076	Education and Human Resources	667378	3650	1,055	0	PT
47.076		NSFATEDUE1002931	3650	40,276	0	PT
47.076		RC101209WSU	3650	32,031	0	PT
47.076			3700	294,495	5,000	
47.076			3750	664,191	3,749	
47.076		DUE-1125331	3750	18,884	0	PT
47.076			3760	242,463	0	
47.076		RA10026223	3760	49,514	0	PT
47.076			3800	710,293	0	
47.076		NONE	3800	9,048	0	PT
47.076			6990	3,683,578	0	
47.076		1104199	6990	8,100	0	PT
47.076		677551	6990	47,027	0	PT
47.076		7252472	6990	1,464	0	PT
47.076		DUE 0702912	6990	5,314	0	PT
47.076		Edmonds Comm. College	6990	5,757	0	PT
47.076		G532/G533	6990	54,589	0	PT
47.076		NSF#1118679	6990	12,833	0	PT
	Federal Program 47.076 Total			**24,343,651**	**1,786,442**	
47.078	Polar Programs		3600	5,491,873	53,106	
47.078		FY2011-025 MOD03	3600	143,642	0	PT
47.078		D001872701	3650	16,725	0	PT
47.078			3750	112,516	0	
47.078		3778-CWU-NSF-2136	3750	58,098	0	PT
47.078			3800	145,519	0	
	Federal Program 47.078 Total			**5,968,373**	**53,106**	
47.079	International Science and Engineering (Oise)		3600	97,401	0	
47.079		S1315A-C	3600	9,628	0	PT
47.079		S1315A-C AM02	3600	115,797	0	PT
47.079			3650	156,126	0	
47.079		RUB2982ST10	3650	8,385	0	PT
47.079			3750	16,544	0	
	Federal Program 47.079 Total			**403,881**	**0**	
47.080	Office of Cyberinfrastructure		3600	1,036,834	3,351	

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47.080	Office of Cyberinfrastructure	2010-07196-04	3600	11,173	0	PT
47.080		2010-07196-04 AM02	3600	96,139	0	PT
47.080		2611220020002UTA110001	3600	11,826	0	PT
	Federal Program 47.080 Total			**1,155,972**	**3,351**	
47.082	ARRA - Trans-Nsf Recovery Act Research Supp		3600	8,532,785	263,182	
47.082		0000007899	3600	44,850	0	PT
47.082		14-1622-9957	3600	214,076	0	PT
47.082		1833G, MOD.#1	3600	66,563	0	PT
47.082		730013/712683	3600	11,155	0	PT
47.082		SA 9-09	3600	5,381,855	0	PT
47.082		SC360025-10-07	3600	3,085	0	PT
47.082		SUB24957PRIMENSF072497	3600	68,136	0	PT
47.082			3650	1,982,820	0	
47.082		EAR0732947/S10-EAR0732	3750	225,774	0	PT
47.082			3800	350,026	0	
47.082			6990	5,372	0	
	Federal Program 47.082 Total			**16,886,497**	**263,182**	
	National Science Foundation Total			**162,253,058**	**10,500,646**	
	National Science Foundation Total			**162,253,058**	**10,500,646**	

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State of Washington
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For the Year Ended
June 30, 2013
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Research and Development

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	UW BUD# 673993	3600	680	0	PT
66.034		UW BUD# 674331	3600	3,304	0	PT
66.034			3650	30,368	0	
66.034		HC773000	3650	16,000	0	PT
66.034			4610	814,362	0	
	Federal Program 66.034 Total			**864,714**	**0**	
	Office of Air and Radiation Total			**864,714**	**0**	
66.509	Science to Achieve Results (Star) Research Program		3600	5,705,688	2,072,735	
66.509		07-003825-02 AM03	3600	15,212	0	PT
66.509		68F1088313	3650	81,823	0	PT
66.509		G58681	3650	37,564	0	PT
	Federal Program 66.509 Total			**5,840,287**	**2,072,735**	
66.514	Science to Achieve Results (Star) Fellowship Progr		3600	66,953	0	
66.514			3650	48,591	0	
	Federal Program 66.514 Total			**115,544**	**0**	
	Office of Research and Development Total			**5,955,831**	**2,072,735**	
	Environmental Protection Agency Total			**6,820,545**	**2,072,735**	

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 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	18,368,019	788,220	
81.049		00001890 MOD02	3600	67,548	0	PT
81.049		008044/1011334/2 AM04	3600	45,669	0	PT
81.049		0190GQB351	3600	38,935	0	PT
81.049		1070096-242680 AM03	3600	138,226	0	PT
81.049		2003-07059-05 (A6929)	3600	125,143	0	PT
81.049		234151M AM03	3600	(1,425)	0	PT
81.049		234151M AM05	3600	(6,726)	0	PT
81.049		359K612	3600	49,126	0	PT
81.049		44978	3600	39,419	0	PT
81.049		503018 MOD2	3600	60,758	0	PT
81.049		ARI 10667-4 AM02	3600	155,495	0	PT
81.049		C00034442-1	3600	220,376	0	PT
81.049		DE-SC000448	3600	23,783	0	PT
81.049		PRIME DE-SC0006281	3600	29,670	0	PT
81.049		UNR-13-62	3600	11,283	0	PT
81.049		UW BUD# 639982	3600	69,050	0	PT
81.049		UWOSPA66435DESC000448M	3600	100,988	0	PT
81.049			3650	3,539,557	875,934	
81.049		08X01	3650	5,947	0	PT
81.049		10154	3650	49,618	0	PT
81.049		23009-WS	3650	94,512	0	PT
81.049		740058874P	3650	83,431	0	PT
81.049		A003127004	3650	94,238	0	PT
81.049		DDPSC21017WS	3650	326,464	0	PT
81.049		Sub 0190 G MA598	3700	37,543	0	PT
	Federal Program 81.049 Total			**23,766,647**	**1,664,154**	
81.049A	ARRA - Office of Science Financial Assistance	124328	3600	1,135,830	0	PT
81.049A		Y551851	3600	(4,904)	0	PT
81.049A		Y551851 AM5	3600	189,905	0	PT
81.049A		Y551851AM01	3600	1,346	0	PT
	Federal Program 81.049A Total			**1,322,177**	**0**	
	Headquarters Office Total			**25,088,824**	**1,664,154**	
81.057	University Coal Research		3600	77,402	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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
	Federal Program 81.057 Total			**77,402**	**0**	
	Office of Fossil Energy Total			**77,402**	**0**	
81.086	Conservation Research and Development	TCS65292	3600	48,315	0	PT
81.086		20110140IAA	3650	(347)	0	PT
	Federal Program 81.086 Total			**47,968**	**0**	
81.086A	ARRA - Conservation Research and Development		3600	147,434	0	
	Federal Program 81.086A Total			**147,434**	**0**	
81.087	Renewable Energy Research and Development		3600	1,072,505	0	
81.087		G0107A-A AM03	3600	36,900	0	PT
81.087		G0107A-A AM06	3600	233,875	0	PT
81.087		G0107K-A	3600	57,086	0	PT
81.087		G0128A-A	3600	39,560	0	PT
81.087		GO12026-300 AM-C	3600	33,188	0	PT
81.087		Z13-13583	3600	3,804	0	PT
81.087			3650	574,295	204,602	
81.087		WSU002046	3650	396,651	0	PT
81.087		DE-EE0002850	4900	706,580	0	PT
	Federal Program 81.087 Total			**3,154,444**	**204,602**	
81.087A	ARRA - Renewable Energy Research and Development	28302-U	3600	351,365	0	PT
	Federal Program 81.087A Total			**351,365**	**0**	
	Energy Efficiency and Renewable Energy Total			**3,701,211**	**204,602**	
81.089	Fossil Energy Research and Development	424K340 UW	3600	16,769	0	PT
81.089		G12912W3521	3650	111,438	0	PT
	Federal Program 81.089 Total			**128,207**	**0**	
	Office of Fossil Energy Total			**128,207**	**0**	
81.104	Office of Environmental Waste Processing		6990	1,051,489	0	
	Federal Program 81.104 Total			**1,051,489**	**0**	
	Office of Bilingual Education and Minority Languag Total			**1,051,489**	**0**	
81.113	Defense Nuclear Nonproliferation Research		3600	42,567	0	
81.113			3650	87,514	0	

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Research and Development

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 81.113 Total			**130,081**	**0**	
	National Nuclear Security Adminisration Total			**130,081**	**0**	
81.135	Adv Research & Projects Agency		3600	443,553	194,951	
81.135		12006903B00	3650	133,598	0	PT
81.135		653029807	3650	141,122	0	PT
	Federal Program 81.135 Total			**718,273**	**194,951**	
81.135A	ARRA - Adv Research & Projects Agency	2001001	3600	198,771	0	PT
81.135A		201001	3600	453,640	0	PT
	Federal Program 81.135A Total			**652,411**	**0**	
	Electricity Delivery & Energy Reliab 1000 Total			**1,370,684**	**194,951**	
81.214	Environmental Monitoring/Cleanup Cultural Rsrc Mgt		2450	862,111	741,855	
81.214			4610	2,794,092	0	
	Federal Program 81.214 Total			**3,656,203**	**741,855**	
	Savannah River Operations Office Total			**3,656,203**	**741,855**	
	Dept of Energy Total			**35,204,101**	**2,805,562**	

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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
84.022	Overseas Programs - Doctoral Dissertation Research		3600	30,806	0	
	Federal Program 84.022 Total			**30,806**	**0**	
	Office of Postsecondary Education Total			**30,806**	**0**	
84.133	National Institute on Disability and Rehabilitatio		3600	6,019,603	730,579	
84.133		80831	3600	828	0	PT
84.133		H133A120037SUBCONTRACT	3600	11,571	0	PT
	Federal Program 84.133 Total			**6,032,002**	**730,579**	
	Office of Special Education and Rehabilitative Ser Total			**6,032,002**	**730,579**	
84.220	Centers for International Business Education		3600	196,532	0	
	Federal Program 84.220 Total			**196,532**	**0**	
	Office of Postsecondary Education Total			**196,532**	**0**	
84.305	Education Research, Development and Dissemination		3600	1,419,673	0	
84.305		01105-03230	3600	50,056	0	PT
84.305		108095-5460049	3600	15,562	0	PT
84.305			3650	155,122	56,500	
84.305		6.18101E+11	3650	71,164	0	PT
	Federal Program 84.305 Total			**1,711,577**	**56,500**	
	Office of Educational Research and Improvement Total			**1,711,577**	**56,500**	
84.324	Research In Special Education	3048108226-12-338AM02	3600	82,960	0	PT
84.324		51423	3600	107,563	0	PT
84.324		FY2009-083 MOD04	3600	256,190	0	PT
84.324		RS20110522-01	3600	638	0	PT
84.324		RS20110522-04	3600	372,753	0	PT
84.324		RS20120590-02	3600	145,850	0	PT
84.324		UF12328	3600	9,448	0	PT
	Federal Program 84.324 Total			**975,402**	**0**	
	Office of Special Education and Rehabilitative Ser Total			**975,402**	**0**	
	Dept of Education Total			**8,946,319**	**787,079**	

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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
90.403	US Election Assistance Commission Research Grants	2011001	3600	29,575	0	PT
	Federal Program 90.403 Total			**29,575**	**0**	
	US Election Assistance Commission Total			**29,575**	**0**	
	Miscellaneous Commissions Total			**29,575**	**0**	

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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
93.061	Innovations In Applied Public Health Research		3600	792,103	154,661	
	Federal Program 93.061 Total			**792,103**	**154,661**	
93.068	Chronic Diseases: Research, Control, and Preventio		3600	69,783	0	
	Federal Program 93.068 Total			**69,783**	**0**	
	Centers for Disease Control and Prevention Total			**861,886**	**154,661**	
93.103	Food and Drug Administration_research		3600	670,501	4,794	
93.103		415628-G	3600	33,567	0	PT
93.103		415941-G	3600	58,697	0	PT
93.103			3650	44,863	0	
	Federal Program 93.103 Total			**807,628**	**4,794**	
	Food and Drug Administration Total			**807,628**	**4,794**	
93.113	Environmental Health		3600	14,279,995	1,928,740	
93.113		00000544PRIME1RO1ES020	3600	15,759	0	PT
93.113		1 R21 ES 020404-01A1	3600	46,179	0	PT
93.113		10149SUB AM03	3600	(935)	0	PT
93.113		10387 SUB	3600	1,377	0	PT
93.113		10387 SUB MOD01	3600	35,735	0	PT
93.113		104281 AM03	3600	3	0	PT
93.113		12-240-UW MOD02	3600	3,257	0	PT
93.113		1553 G MC571 AM02	3600	14,692	0	PT
93.113		1553 G MC571 AM03	3600	109,368	0	PT
93.113		23570.114018 AM04	3600	77,998	0	PT
93.113		PO#R694299 AM03	3600	32,258	0	PT
93.113		TO141096MA75501MOD05	3600	56,395	0	PT
93.113		WU-13-183	3600	16,249	0	PT
93.113		WU07136PO29932PAM05	3600	(50)	0	PT
93.113		Z036104 AM-A	3600	102,415	0	PT
93.113			3650	2,353,750	209,765	
93.113		SUB07004128WSU	3650	49,990	0	PT
	Federal Program 93.113 Total			**17,194,435**	**2,138,505**	
93.121	Oral Diseases and Disorders Research		3600	8,111,525	1,355,520	
93.121		10332SUB	3600	1	0	PT
93.121		10509SUB	3600	1,913	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
93.121	Oral Diseases and Disorders Research	10509SUB MOD01	3600	37,319	0	PT
93.121		10575SUB AM01	3600	297,923	0	PT
93.121		10705SUB MOD01	3600	129,960	0	PT
93.121		36371535	3600	64,903	0	PT
93.121		5-32965	3600	68,575	0	PT
93.121		5-51223 AM06	3600	1,303	0	PT
93.121		A69335	3600	37,701	0	PT
93.121		FY110430100803A55933	3600	20,197	0	PT
93.121		FY13100801	3600	11,909	0	PT
93.121		P001901001 AM01	3600	(5,044)	0	PT
93.121		P001901001 AM02	3600	65,140	0	PT
93.121		P001901001AM01	3600	174,519	0	PT
93.121		RES506610	3600	9,016	0	PT
93.121		RES506610 AM01	3600	20,680	0	PT
93.121		U19DE022516-01	3600	40,469	0	PT
93.121		UW BUD# 666754	3600	21,578	0	PT
	Federal Program 93.121 Total			**9,109,587**	**1,355,520**	
	National Institutes of Health Total			**26,304,022**	**3,494,025**	
93.135	Centers for Research and Demonstration for Health		3600	3,539,201	892,689	
93.135		99-S120037	3600	11,335	0	PT
	Federal Program 93.135 Total			**3,550,536**	**892,689**	
93.136	Injury Prevention and Control Research and State A		3600	443,448	128,574	
93.136		SUBAWARD1001502UWAM01	3600	41,514	0	PT
	Federal Program 93.136 Total			**484,962**	**128,574**	
	Centers for Disease Control and Prevention Total			**4,035,498**	**1,021,263**	
93.143	Niehs Superfund Hazardous Substances_basic Researc		3600	2,526,755	224,938	
93.143		00007683/2000107277	3600	29,526	0	PT
93.143		2 R44 ES 020099-02	3600	118,711	0	PT
	Federal Program 93.143 Total			**2,674,992**	**224,938**	
	National Institutes of Health Total			**2,674,992**	**224,938**	
93.155	Rural Health Research Centers		3600	606,375	0	
93.155		UW BUD# 663174	3600	5,380	0	PT
93.155		UW BUD# 666323	3600	36,588	0	PT

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Dept of Health & Human Services

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	Federal Program 93.155 Total			**648,343**	**0**	
	Health Resources and Services Administration Total			**648,343**	**0**	
93.172	Human Genome Research		3600	19,815,778	2,694,443	
93.172		10462SUB/10720SUB	3600	885,532	0	PT
93.172		11-436	3600	(11,557)	0	PT
93.172		11-436 AM05	3600	6,565	0	PT
93.172		13-110	3600	52,896	0	PT
93.172		2011119338	3600	25,997	0	PT
93.172		2012119951	3600	244,406	0	PT
93.172		2012120565	3600	81,712	0	PT
93.172		26366880-49414-D AM04	3600	(27)	0	PT
93.172		5-32813	3600	85,377	0	PT
93.172		5-51148 YEAR4#3	3600	33,656	0	PT
93.172		5U01HG00469504AM06SUBC	3600	17,493	0	PT
93.172		6145903/RFS2013076	3600	79,413	0	PT
93.172		S0183592	3600	165,018	0	PT
93.172		S0183592 AM01-REV	3600	210,325	0	PT
93.172		UAF 11-0078 MOD02	3600	166,170	0	PT
93.172		UAF110078MOD1FP13240	3600	14,294	0	PT
93.172		UW BUD# 639361	3600	398	0	PT
93.172		UW BUD# 639385	3600	2,879	0	PT
93.172		UW BUD# 639452	3600	(3,420)	0	PT
93.172		WU-12-275	3600	49,122	0	PT
93.172		WU-13-201	3600	98,564	0	PT
	Federal Program 93.172 Total			**22,020,591**	**2,694,443**	
93.173	Research Related to Deafness and Communication DIS		3600	7,517,057	189,148	
93.173		0000719273	3600	4,426	0	PT
93.173		0000749224	3600	65,256	0	PT
93.173		GOTOL0173A_UW/AM04	3600	63,115	0	PT
93.173		SP0011426PROJ0003112AM	3600	95,697	0	PT
93.173			3650	92,597	0	
	Federal Program 93.173 Total			**7,838,148**	**189,148**	
	National Institutes of Health Total			**29,858,739**	**2,883,591**	
93.186	National Research Service Award In Primary Care Me		3600	320,227	0	

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Dept of Health & Human Services

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	Federal Program 93.186 Total			**320,227**	**0**	
	Health Resources and Services Administration Total			**320,227**	**0**	
93.213	Research and Training In Complementary and Alterna		3600	1,572,793	188,489	
93.213		2011115678	3600	(242)	0	PT
93.213		2012104196 MOD01	3600	24,625	0	PT
93.213		2012117881	3600	40,668	0	PT
93.213		2013102482	3600	5,461	0	PT
93.213		2013102876	3600	11,440	0	PT
93.213		H33B11-03 (4)	3600	2,053	0	PT
93.213		H34B11-01 (3) AM02	3600	374,646	0	PT
93.213		H34B11-01 MOD01	3600	150,726	0	PT
93.213		H34B12-01 MOD01	3600	37,428	0	PT
93.213		H34B12-02 MOD1	3600	3,916	0	PT
93.213		H34B12-03 AM02	3600	20,249	0	PT
93.213		H34B1201 (3) AM03	3600	25,652	0	PT
93.213		H34B1207AM01PR1U19AT00	3600	10,396	0	PT
93.213			3650	128,295	0	
	Federal Program 93.213 Total			**2,408,106**	**188,489**	
	National Institutes of Health Total			**2,408,106**	**188,489**	
93.225	National Research Service Awards_health Services R		3600	270,008	0	
	Federal Program 93.225 Total			**270,008**	**0**	
93.226	Research on Healthcare Costs, Quality and Outcomes		3600	2,494,013	327,009	
93.226		0007879A AM02	3600	64,079	0	PT
93.226		10327SUB	3600	3,124	0	PT
93.226		3035485	3600	6,920	0	PT
93.226		3035486 AM03	3600	97,074	0	PT
93.226		5-31352 AM02	3600	20,632	0	PT
93.226		5-51352	3600	(585)	0	PT
93.226		60030497 UW AM01	3600	13,751	0	PT
93.226		60031412 UW	3600	17,240	0	PT
93.226		FP047367-B	3600	21,363	0	PT
93.226		FP049252-B	3600	2,712	0	PT
93.226		PO# 1098155	3600	55,926	0	PT
93.226		SUBCONTRACT AM03	3600	43,717	0	PT

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Dept of Health & Human Services

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93.226	Research on Healthcare Costs, Quality and Outcomes	SUBCONTRACT AM04	3600	91,019	0	PT
93.226		UW BUD# 664248	3600	21,775	0	PT
93.226		UW BUD# 666711	3600	9,242	0	PT
93.226		UW BUD# 666859	3600	3,879	0	PT
	Federal Program 93.226 Total			**2,965,881**	**327,009**	
	Agency for Health Care Policy and Research Total			**3,235,889**	**327,009**	
93.233	National Center on Sleep Disorders Research		3600	28,535	0	
	Federal Program 93.233 Total			**28,535**	**0**	
93.242	Mental Health Research Grants		3600	12,475,473	1,022,141	
93.242		#10328SUB	3600	(4,081)	0	PT
93.242		070925PROJ847250AM04	3600	(610)	0	PT
93.242		0800094 AM04	3600	25,611	0	PT
93.242		1 R25 MH 099132-01	3600	68,456	0	PT
93.242		10-NIH-1015/MOD02	3600	8,577	0	PT
93.242		10001SUB MOD05	3600	8,789	0	PT
93.242		10328SUB MOD01	3600	26,096	0	PT
93.242		10728SUB	3600	5,671	0	PT
93.242		119898 G003167 AM01	3600	127,226	0	PT
93.242		12-NIH-1091 AM01	3600	114,522	0	PT
93.242		1350GNA655AM06	3600	442	0	PT
93.242		2769	3600	20,426	0	PT
93.242		A06-102 DIAMOND, MOD05	3600	35,834	0	PT
93.242		HS1778 AM02	3600	54,747	0	PT
93.242		JHU PO 2001624393	3600	11,719	0	PT
93.242		M10A10818(A07872) AM02	3600	56,738	0	PT
93.242		M13A11468 (A08970)	3600	7,687	0	PT
93.242		SUB0800037 AM05	3600	136,975	0	PT
93.242		SUB0800044 AM05	3600	109,414	0	PT
93.242		TD13-TD1-3-SIBCR	3600	14,291	0	PT
93.242			3650	767,916	120,428	
93.242		505700	3650	93,208	0	PT
93.242		5R01MH04125625	3650	44,390	0	PT
93.242			3800	99,828	0	
	Federal Program 93.242 Total			**14,309,345**	**1,142,569**	

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
	National Institutes of Health Total			**14,337,880**	**1,142,569**	
93.262	Occupational Safety and Health Program		2350	766,386	0	
93.262			3600	3,566,746	179,416	
93.262		005180AM05POL124500062	3600	21,321	0	PT
93.262		1935 G PA501	3600	1,688	0	PT
93.262		1935 G PA501 AM01	3600	12,457	0	PT
93.262		R742620	3650	4,115	0	PT
93.262		3003-011-02 Amend #1	3700	32,756	0	PT
	Federal Program 93.262 Total			**4,405,469**	**179,416**	
	Centers for Disease Control and Prevention Total			**4,405,469**	**179,416**	
93.271	Alcohol Research Career Development Awards for Sci		3600	162,607	0	
93.271			3650	194,650	0	
	Federal Program 93.271 Total			**357,257**	**0**	
93.272	Alcohol National Research Service Awards for Resea		3600	35,960	0	
	Federal Program 93.272 Total			**35,960**	**0**	
93.273	Alcohol Research Programs		3600	8,172,398	810,130	
93.273		1002432_UW	3600	21,578	0	PT
93.273		10181SUB AM02	3600	36,049	0	PT
93.273		2011-00552-01-01	3600	(785)	0	PT
93.273		2011120264	3600	1,390	0	PT
93.273		2012121499	3600	7,350	0	PT
93.273		4046 MOD04	3600	75,850	0	PT
93.273		4332-UW-DHHS-2529AM03	3600	222,481	0	PT
93.273		6985SC AM01	3600	13,843	0	PT
93.273		HAX0005-01	3600	(2,001)	0	PT
93.273		JPAPOST19FLAHERTY04	3600	564	0	PT
93.273		R-12-0031 AM02	3600	89,125	0	PT
93.273		R-12-0031 G102004	3600	4,583	0	PT
93.273			3650	407,330	0	
	Federal Program 93.273 Total			**9,049,755**	**810,130**	
93.279	Drug Abuse and Addiction Research Programs	B01A10	3000	75,087	0	PT
93.279		B02B20	3000	42,580	0	PT
93.279			3600	14,469,106	1,536,194	

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93.279	Drug Abuse and Addiction Research Programs	#24215 MOD03	3600	150,001	0	PT
93.279		1935 G JB131 AM05	3600	20,720	0	PT
93.279		31603 AMD05	3600	(34)	0	PT
93.279		32-21-1AM1	3600	60,822	0	PT
93.279		37223 AM01	3600	1,941	0	PT
93.279		37223 AM02	3600	30,852	0	PT
93.279		559642	3600	59,931	0	PT
93.279		5600291023	3600	8,584	0	PT
93.279		MOD02PRIME5R01DA025651	3600	383,696	0	PT
93.279		NDRI PROJECT 618C	3600	13,157	0	PT
93.279		NWIC# 24214 MOD03	3600	75,897	0	PT
93.279		PRIME1R25DA03160802AM0	3600	9,398	0	PT
93.279		PT103743-SC101985 AM03	3600	17,876	0	PT
93.279		PT103743-SC101985 AM04	3600	24,506	0	PT
93.279		SR00002142 AM01	3600	44,240	0	PT
93.279			3650	888,048	344,206	
93.279		13400212645	3650	22,858	0	PT
93.279		2000GPD263	3650	4,690	0	PT
93.279		2000GPD269	3650	1,955	0	PT
93.279			3800	92,580	0	
	Federal Program 93.279 Total			**16,498,491**	**1,880,400**	
93.281	Mental Health Research Career/Scientist Developmen		3600	687,238	0	
	Federal Program 93.281 Total			**687,238**	**0**	
93.282	Mental Health National Research Service Awards For		3600	1,104,160	0	
	Federal Program 93.282 Total			**1,104,160**	**0**	
	National Institutes of Health Total			**27,732,861**	**2,690,530**	
93.283	Centers for Disease Control and Prevention_investi		3600	233,434	50,000	
93.283		101820 AM02	3600	27,715	0	PT
93.283		101820 AM03	3600	16,988	0	PT
93.283		5U84DD000512-03	3600	105	0	PT
93.283		CDC 1654-01-05432-SUB	3600	11,992	0	PT
93.283		CDC.1654-02-05840-SUB	3600	17,988	0	PT
93.283		HC791800	3600	23,223	0	PT
93.283		N19349 AM02	3600	370,985	0	PT

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	Federal Program 93.283 Total			**702,430**	**50,000**	
	Centers for Disease Control and Prevention Total			**702,430**	**50,000**	
93.286	Discovery and Applied Research for Technological I		3600	7,045,772	445,972	
93.286		00007673 AM01	3600	156,230	0	PT
93.286		06-674-UW AM03	3600	8,710	0	PT
93.286		6860120 MOD04	3600	39,074	0	PT
93.286		A66450	3600	19,628	0	PT
93.286		NIH13740505450SUBAM02	3600	143,111	0	PT
93.286		NIH17290105716SUBAM01	3600	19,564	0	PT
93.286		UW BUD# 666340	3600	24,142	0	PT
93.286		UW OSP #A60605 AM02	3600	(9,681)	0	PT
93.286			3650	727,800	0	
	Federal Program 93.286 Total			**8,174,350**	**445,972**	
93.307	Minority Health and Health Disparities Research		3600	1,634,425	336,975	
93.307		C09-11 AM04 (PO 21314)	3600	26,833	0	PT
93.307			3650	459,489	170,673	
	Federal Program 93.307 Total			**2,120,747**	**507,648**	
93.310	Trans-NIH Research Support		3600	4,297,010	98,197	
93.310		0000750748 AM01	3600	212,121	0	PT
93.310		5 U54 RR 022220-07AM01	3600	4,441	0	PT
93.310		680309	3600	(702)	0	PT
93.310		723894PRIME5R01HG00581	3600	1,545	0	PT
93.310		8 U54 GM 103511-08	3600	103,421	0	PT
93.310		PRIME #1R24TW008907-02	3600	6,674	0	PT
93.310		PRIME #5R24TW008907-03	3600	121,169	0	PT
	Federal Program 93.310 Total			**4,745,679**	**98,197**	
93.333	Health & Human Services Dept		3600	(135)	0	
	Federal Program 93.333 Total			**(135)**	**0**	
93.350	National Cntr for Advancing Translational Sciences		3600	13,487,020	2,478,175	
93.350		9500301025	3600	5,000	0	PT
	Federal Program 93.350 Total			**13,492,020**	**2,478,175**	
93.351	Research Infrastructure Programs		3600	24,900,506	152,941	

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93.351	Research Infrastructure Programs		3650	101,143	0	
	Federal Program 93.351 Total			**25,001,649**	**152,941**	
93.361	Nursing Research		3600	5,156,650	369,036	
93.361		10171SUB MOD03	3600	189,618	0	PT
93.361		101739866	3600	22,307	0	PT
93.361		1215005R01NR00969205	3600	98,623	0	PT
93.361		2001433044 AM01	3600	11,087	0	PT
93.361		2039925 AM03	3600	5,661	0	PT
93.361		217966 AM02	3600	24,421	0	PT
93.361		4600412829-AM05	3600	19,112	0	PT
93.361		C00036084-1 AM02	3600	1,848	0	PT
93.361		C00039341-2AM01	3600	49,225	0	PT
93.361		GC1 A71895	3600	21,427	0	PT
93.361		GC1 A71975	3600	22,385	0	PT
93.361			3800	15,185	0	
	Federal Program 93.361 Total			**5,637,549**	**369,036**	
93.389	National Center for Research Resources		3600	4,873,455	1,675,893	
93.389		10037SUB AM03	3600	24,028	0	PT
93.389		1497343865420583AM01	3600	3,892	0	PT
93.389		151208.0009 AM01	3600	80,605	0	PT
93.389		5798SC AM03	3600	720	0	PT
93.389		9500300567	3600	(469)	0	PT
93.389		PRIME9R44RR02801902	3600	(6,978)	0	PT
93.389			3650	104,348	0	
93.389		UCHC6	3650	15,393	0	PT
	Federal Program 93.389 Total			**5,094,994**	**1,675,893**	
93.393	Cancer Cause and Prevention Research		3600	8,332,191	1,674,133	
93.393		0000675045	3600	(124)	0	PT
93.393		0000698662	3600	(307)	0	PT
93.393		0000718399	3600	1,316	0	PT
93.393		0000718419 AM01	3600	21,163	0	PT
93.393		0000719489 AMO2	3600	7,819	0	PT
93.393		0000719995 AM01	3600	(252)	0	PT
93.393		0000721527	3600	62,579	0	PT

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93.393	Cancer Cause and Prevention Research	0000721527 AM01	3600	130,591	0	PT
93.393		0000722644	3600	27,208	0	PT
93.393		0000722735	3600	4,305	0	PT
93.393		0000722798	3600	5,340	0	PT
93.393		0000723009AM01PRIMECA1	3600	4,461	0	PT
93.393		0000724377	3600	3,022	0	PT
93.393		0000729607 AMEND 1	3600	17,345	0	PT
93.393		0000732978	3600	54,938	0	PT
93.393		0000732979	3600	38,499	0	PT
93.393		0000736791	3600	8,064	0	PT
93.393		0000745471	3600	66,785	0	PT
93.393		0000751523	3600	32,499	0	PT
93.393		0000752844	3600	26,702	0	PT
93.393		0000752886	3600	23,642	0	PT
93.393		0000753456PRIMECA13424	3600	14,695	0	PT
93.393		0000755014	3600	80,194	0	PT
93.393		0000755789	3600	59,571	0	PT
93.393		0000756002	3600	7,653	0	PT
93.393		0000756133	3600	25,533	0	PT
93.393		0000756402	3600	13,083	0	PT
93.393		0000760218	3600	1,030,027	0	PT
93.393		0000765835	3600	27,874	0	PT
93.393		0000765864	3600	16,556	0	PT
93.393		0000770654	3600	36,019	0	PT
93.393		08JDEAR-01-UW AM06	3600	67,453	0	PT
93.393		10-15885-03-01	3600	23,641	0	PT
93.393		2011120746	3600	(35)	0	PT
93.393		2012113476	3600	14,756	0	PT
93.393		217156 AM04	3600	205,546	0	PT
93.393		217156AM01U01CA1529260	3600	(14,289)	0	PT
93.393		22390.914991.6698	3600	1,174	0	PT
93.393		4R42CA14187502AM03	3600	209,127	0	PT
93.393		723684	3600	7,708	0	PT
93.393		756966	3600	2,586	0	PT
93.393		901PRIMERO1CA149365AM0	3600	36,903	0	PT
93.393		CA154292-02-UW	3600	180,997	0	PT

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93.393	Cancer Cause and Prevention Research	CA154292-UW MOD02	3600	62,253	0	PT
93.393		KA0018	3600	(795)	0	PT
93.393		PRIME 5P20CA137219-05	3600	10,580	0	PT
93.393		PSA-201109-LOWRY	3600	(516)	0	PT
93.393		SA1200866	3600	1,576	0	PT
93.393			3650	291,466	0	
93.393		4304626A	3650	53,926	0	PT
93.393		VUMC38944	3650	99,375	0	PT
93.393		WU11229	3650	72,481	0	PT
93.393		WU1130	3650	(1,057)	0	PT
	Federal Program 93.393 Total			**11,503,847**	**1,674,133**	
93.394	Cancer Detection and Diagnosis Research		3600	8,569,373	1,187,834	
93.394		0000712116	3600	(126)	0	PT
93.394		0000720573	3600	(64)	0	PT
93.394		0000746904	3600	29,285	0	PT
93.394		0000748868	3600	3,396	0	PT
93.394		0000753503	3600	7,043	0	PT
93.394		0000769185	3600	6,189	0	PT
93.394		0000771917	3600	3,204	0	PT
93.394		01-335-UW AM03	3600	35,983	0	PT
93.394		1120	3600	10,000	0	PT
93.394		1170	3600	10,000	0	PT
93.394		1345	3600	9,998	0	PT
93.394		1347	3600	55,973	0	PT
93.394		1439	3600	12,741	0	PT
93.394		1454 AM02	3600	166,531	0	PT
93.394		1454 AM03	3600	8,775	0	PT
93.394		3001942556 AM04	3600	189,893	0	PT
93.394		3001942556AM02	3600	(8,153)	0	PT
93.394		303-5419 AM03	3600	113,753	0	PT
93.394		6610200-5500000433	3600	56,453	0	PT
93.394		6610202-5500000433	3600	162,956	0	PT
93.394		ACRIN6685	3600	6,450	0	PT
93.394		K000683-00-S01 MOD01	3600	88,439	0	PT
93.394		SUBAWARD #0000739078	3600	9,800	0	PT

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93.394	Cancer Detection and Diagnosis Research	W000420810PO1001081261	3600	89,747	0	PT
93.394			3650	395,069	145,036	
	Federal Program 93.394 Total			**10,032,708**	**1,332,870**	
93.395	Cancer Treatment Research		3600	3,768,199	471,147	
93.395		0000707701 AM02	3600	(11,264)	0	PT
93.395		0000718704 AM02	3600	7,682	0	PT
93.395		0000719687	3600	36,125	0	PT
93.395		0000719690	3600	1,855	0	PT
93.395		0000719697	3600	1,366	0	PT
93.395		0000719699	3600	6,001	0	PT
93.395		0000723010	3600	99,956	0	PT
93.395		0000726086	3600	(618)	0	PT
93.395		0000727390	3600	9,629	0	PT
93.395		0000730890	3600	3,333	0	PT
93.395		0000731871 AM02	3600	54,540	0	PT
93.395		0000736638	3600	50,351	0	PT
93.395		0000740783	3600	67,070	0	PT
93.395		0000740885	3600	12,027	0	PT
93.395		0000741697 AM01	3600	80,201	0	PT
93.395		0000754340	3600	13,117	0	PT
93.395		0000754342	3600	192,115	0	PT
93.395		0000754343	3600	25,496	0	PT
93.395		0000754348	3600	52,679	0	PT
93.395		0000755496	3600	7,709	0	PT
93.395		0000755851	3600	92,414	0	PT
93.395		0000756738	3600	689,508	0	PT
93.395		0000764733	3600	28,847	0	PT
93.395		0000767091	3600	12,219	0	PT
93.395		0000768445	3600	25,299	0	PT
93.395		0000768693	3600	7,146	0	PT
93.395		0000769885PR5P01CA0789	3600	19,991	0	PT
93.395		1920 AM01	3600	2,045	0	PT
93.395		2 P01 CA 029605 AM05	3600	15,432	0	PT
93.395		CHECK #6625	3600	45,141	0	PT
93.395		F025217 AM03	3600	19,151	0	PT

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93.395	Cancer Treatment Research	F025217AM02	3600	14,373	0	PT
93.395		FP13013_SUB310_01	3600	270,823	0	PT
93.395		FP13013_SUB310_02	3600	79,108	0	PT
93.395		SA1200869	3600	217	0	PT
93.395		SA1300990	3600	11,549	0	PT
93.395			3650	14,512	0	
	Federal Program 93.395 Total			**5,825,344**	**471,147**	
93.396	Cancer Biology Research		3600	5,084,616	986,424	
93.396		0000734512AM03	3600	38,742	0	PT
93.396		0000765836	3600	71,931	0	PT
93.396		6610210-5500000403	3600	91,963	0	PT
93.396		6610212-5500000403	3600	218,159	0	PT
93.396		IN-4685210-UW	3600	57,292	0	PT
	Federal Program 93.396 Total			**5,562,703**	**986,424**	
93.397	Cancer Centers Support Grants		3600	1,104,047	297,352	
93.397		00006783505U54CA118647	3600	(23,149)	0	PT
93.397		0000693670	3600	(3,795)	0	PT
93.397		0000705880	3600	(1)	0	PT
93.397		0000713367	3600	(713)	0	PT
93.397		0000722023 AM01	3600	1,638	0	PT
93.397		0000722072	3600	943	0	PT
93.397		0000723926	3600	(214)	0	PT
93.397		0000726266	3600	27,441	0	PT
93.397		0000727277	3600	10,005	0	PT
93.397		0000732948 AM01	3600	87,784	0	PT
93.397		0000732949 AMD01	3600	33,622	0	PT
93.397		0000732953 AM01	3600	53,365	0	PT
93.397		0000732954AM02	3600	121,650	0	PT
93.397		0000732959	3600	67,926	0	PT
93.397		0000732962 AM01	3600	47,240	0	PT
93.397		0000732963 AM01	3600	43,487	0	PT
93.397		0000732964 AM01	3600	90,129	0	PT
93.397		0000732976 AM01	3600	9,267	0	PT
93.397		0000740161	3600	5,346	0	PT
93.397		0000740162PRIMEP30CA01	3600	3,174	0	PT

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93.397	Cancer Centers Support Grants	0000740163	3600	18,404	0	PT
93.397		0000740164	3600	107	0	PT
93.397		0000740172	3600	27,226	0	PT
93.397		0000740180	3600	7,844	0	PT
93.397		0000740224 AM01	3600	12,492	0	PT
93.397		0000740275AM01	3600	14,510	0	PT
93.397		0000741523	3600	4,748	0	PT
93.397		0000742374	3600	(2,068)	0	PT
93.397		0000743437	3600	100,392	0	PT
93.397		0000743847	3600	71,466	0	PT
93.397		0000745456	3600	19,650	0	PT
93.397		0000746731	3600	24,596	0	PT
93.397		0000747542	3600	43,070	0	PT
93.397		0000749880	3600	26,362	0	PT
93.397		0000751166 AM01	3600	283,800	0	PT
93.397		0000751172 AM01	3600	119,671	0	PT
93.397		0000754736	3600	100,187	0	PT
93.397		0000754780	3600	108,388	0	PT
93.397		0000756737 AM01	3600	59,330	0	PT
93.397		0000764696	3600	32,195	0	PT
93.397		0000764698	3600	35,380	0	PT
93.397		0000764741	3600	57,801	0	PT
93.397		0000764751	3600	76,506	0	PT
93.397		0000764759	3600	87,784	0	PT
93.397		0000764785	3600	94,985	0	PT
93.397		0000764788	3600	54,616	0	PT
93.397		0000764790	3600	49,888	0	PT
93.397		0000764793	3600	8,850	0	PT
93.397		0000770557	3600	30,741	0	PT
93.397		0000770591	3600	3,021	0	PT
93.397		0000770593	3600	24,537	0	PT
93.397		0000770789	3600	5,690	0	PT
93.397		0000771165	3600	18,850	0	PT
93.397		0000772447	3600	2,980	0	PT
93.397		000770571	3600	1,781	0	PT
93.397		200912673-03 AM04	3600	23,253	0	PT

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93.397	Cancer Centers Support Grants	200912673-03, AM002	3600	16,112	0	PT
93.397		2011120266	3600	463	0	PT
93.397		2012121498	3600	4,804	0	PT
93.397		5 U54 CA 42157-3UWASH	3600	8,239	0	PT
93.397		7400429	3600	5,164	0	PT
93.397		PO # 741052	3600	25,900	0	PT
93.397		SA #0000726138	3600	3,408	0	PT
93.397		UW BUD# 663477	3600	23,277	0	PT
	Federal Program 93.397 Total			**3,415,592**	**297,352**	
93.398	Cancer Research Manpower		3600	4,628,405	83,983	
	Federal Program 93.398 Total			**4,628,405**	**83,983**	
93.399	Cancer Control		3600	2,283,810	1,145,315	
93.399		0000716784	3600	725	0	PT
93.399		0000721492	3600	(1,902)	0	PT
93.399		0000724148 AM01	3600	8,505	0	PT
93.399		0000724388	3600	6,504	0	PT
93.399		0000724388 AM02	3600	22,768	0	PT
93.399		0000725325	3600	1,855	0	PT
93.399		0000725835 AM01	3600	37,769	0	PT
93.399		0000749686	3600	21,601	0	PT
93.399		0000749691	3600	44,983	0	PT
93.399		0000749698	3600	58,415	0	PT
93.399		0000755713	3600	30,130	0	PT
93.399		0000755735	3600	100,008	0	PT
93.399		0000757213	3600	24,643	0	PT
93.399		0000757559	3600	44,978	0	PT
93.399		0000757560	3600	47,218	0	PT
93.399		0000772866	3600	9,787	0	PT
93.399		0000772892	3600	3,708	0	PT
93.399		3002149613	3600	79,249	0	PT
93.399		3002149613 AM01	3600	226,992	0	PT
93.399		3002149613 AM02	3600	20,481	0	PT
93.399		3002149613 AM03	3600	99,630	0	PT
93.399		717389 AM01	3600	6,456	0	PT
93.399		PS19-SUN-S1SIBCR	3600	6,291	0	PT

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93.399	Cancer Control	PS19LIUG2SIBCR	3600	3,594	0	PT
93.399		UW-YR27	3600	26,238	0	PT
	Federal Program 93.399 Total			**3,214,436**	**1,145,315**	
	National Institutes of Health Total			**108,449,888**	**11,719,086**	
93.420	ARRA - Community Health Applied Research Network	UWAS2	3600	42,594	0	PT
93.420		UWAS2, AMEND 2	3600	160,328	0	PT
	Federal Program 93.420 Total			**202,922**	**0**	
	Health Resources and Services Administration Total			**202,922**	**0**	
93.508	Affordable Care Act Tribal Maternal,infant & Early	A71880 MOD02	3600	32,678	0	PT
	Federal Program 93.508 Total			**32,678**	**0**	
93.564	Child Support Enforcement Research		3000	170,145	0	
93.564		1165-43891 AM02	3600	152,953	0	PT
	Federal Program 93.564 Total			**323,098**	**0**	
	Administration for Children and Families Total			**355,776**	**0**	
93.610	Health Care Innovation Awards (Hcia)	01-0113-UWAIMS	3600	294,103	0	PT
93.610		3RJ32	3600	169,357	0	PT
	Federal Program 93.610 Total			**463,460**	**0**	
	Centers for Medicare and Medicaid Services Total			**463,460**	**0**	
93.701	ARRA - Trans-NIH Research Support		3600	10,734,351	2,143,175	
93.701		0000721274	3600	38,074	0	PT
93.701		0000721837	3600	353	0	PT
93.701		0007224EAMENDMENTNO1	3600	16,311	0	PT
93.701		0007224EAMENDMENTNO5	3600	2,718	0	PT
93.701		0125 G NA553	3600	(1,319)	0	PT
93.701		10302SUB	3600	35,707	0	PT
93.701		1409	3600	41,491	0	PT
93.701		2 PO1 CA029605	3600	(907)	0	PT
93.701		2000784427	3600	181,516	0	PT
93.701		2010114789	3600	2,902	0	PT
93.701		2010116377	3600	3,726	0	PT
93.701		2324.002 AWARE	3600	10,377	0	PT
93.701		23789-15	3600	26,080	0	PT

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93.701	ARRA - Trans-NIH Research Support	2802302AMENDMENTNO1	3600	(141)	0	PT
93.701		2ACCT538156PO580188AME	3600	2,737	0	PT
93.701		325011.300001.80180	3600	1,771,141	0	PT
93.701		4221,RTOG2701	3600	7,937	0	PT
93.701		555449	3600	1,889	0	PT
93.701		6687	3600	3,511	0	PT
93.701		7093SC	3600	15,050	0	PT
93.701		9003774-06S2NW	3600	40,825	0	PT
93.701		9003774_06S1_UW	3600	3,818	0	PT
93.701		9003774_06S2_UW	3600	3,140	0	PT
93.701		ACRIN 6688	3600	5,636	0	PT
93.701		AFAMP0076ST-UW	3600	5,831	0	PT
93.701		BJ18BL3ARRASIBCR	3600	10,462	0	PT
93.701		CRB-DCR01-09-00291	3600	69,901	0	PT
93.701		FY2011-046	3600	987	0	PT
93.701		GVGTI0101UOFWNMAIZELS	3600	31,561	0	PT
93.701		JPAPOBJ18BAKER2ARRA	3600	4,185	0	PT
93.701		M165155	3600	1,013	0	PT
93.701		P0304A-A	3600	21,532	0	PT
93.701		PSA201207POCOBELLIREIN	3600	3,008	0	PT
93.701		SHOPPINGCART101098627	3600	(3,970)	0	PT
93.701		SUBAWARD 2815108	3600	61,026	0	PT
93.701		SUBCONTRACTNO4221ACRIN	3600	(6,869)	0	PT
93.701		VUMC35940AMENDMENTNO1	3600	23,830	0	PT
93.701		W000219330	3600	(80)	0	PT
93.701		ZC10075-139369	3600	14,307	0	PT
93.701		ZC10075-139370	3600	18,153	0	PT
93.701			3650	469,936	199,147	
93.701		2363902331S01	3650	3,178	0	PT
93.701			3800	210,235	0	
	Federal Program 93.701 Total			**13,885,149**	**2,342,322**	
	National Institutes of Health Total			**13,885,149**	**2,342,322**	
93.727	Arra- Health Technology Beacon Communities	2997	3600	135,097	0	PT
93.727		Subaward # 3199	3700	540	0	PT

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	Federal Program 93.727 Total			**135,637**	**0**	
93.728	ARRA Strategic Health Advanced Res Proj	0007512G (PROJECT 1)	3600	184,201	0	PT
93.728		2010-03958-09	3600	262,399	0	PT
	Federal Program 93.728 Total			**446,600**	**0**	
	Office of the Secretary Total			**582,237**	**0**	
93.740	Prevention Public Health Fund 2012 Viral Hepatitis		3600	160,508	0	
	Federal Program 93.740 Total			**160,508**	**0**	
	Centers for Disease Control and Prevention Total			**160,508**	**0**	
93.779	Centers for Medicare and Medicaid Services (Cms) R		1600	1,083,538	0	
93.779			3000	30,037	0	
	Federal Program 93.779 Total			**1,113,575**	**0**	
	Centers for Medicare and Medicaid Services Total			**1,113,575**	**0**	
93.837	Cardiovascular Diseases Research		3600	55,697,524	19,168,786	
93.837		0000682535 AM01	3600	(15,049)	0	PT
93.837		0000698174	3600	(666)	0	PT
93.837		00007212130	3600	(18,607)	0	PT
93.837		0000732366 AM01	3600	5,458	0	PT
93.837		0000744295	3600	179,391	0	PT
93.837		0000749576	3600	186,180	0	PT
93.837		0000772726	3600	34,786	0	PT
93.837		0008215A AM02	3600	96,529	0	PT
93.837		1000943128 AM01	3600	58,133	0	PT
93.837		1001073P26C10500NYUPG1	3600	37,396	0	PT
93.837		10144SUB/AMD02	3600	17,943	0	PT
93.837		105963 AM03	3600	67,826	0	PT
93.837		10693SUB MOD02	3600	192,045	0	PT
93.837		12_8044_11.12_6	3600	476,386	0	PT
93.837		12_8044_11.12_6 AM01	3600	14	0	PT
93.837		2012107395 MOD02	3600	26,194	0	PT
93.837		201222606-01 AM01	3600	34,655	0	PT
93.837		203-9990 AM01	3600	(11,243)	0	PT
93.837		203-9990 AM02	3600	95,342	0	PT
93.837		23570-113954 AM06	3600	1,070	0	PT

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93.837	Cardiovascular Diseases Research	24225SUB50868 AM02	3600	35,687	0	PT
93.837		2R44HL08357803A2SUB1MO	3600	87,401	0	PT
93.837		2R44HL08357803A2SUB2MO	3600	61,833	0	PT
93.837		3001290982 AM03	3600	19,373	0	PT
93.837		3001598618 AM04	3600	47,197	0	PT
93.837		303-1586 AM05	3600	85,979	0	PT
93.837		303-6869 AM03	3600	312	0	PT
93.837		4500000679 AM02	3600	57,809	0	PT
93.837		5-32534 AM01	3600	130,915	0	PT
93.837		551412 MOD03	3600	1,216	0	PT
93.837		555084	3600	(680)	0	PT
93.837		556790	3600	(10,335)	0	PT
93.837		558895	3600	123,875	0	PT
93.837		5R01HL09455503AM02	3600	3	0	PT
93.837		5R01HL09455504AM04	3600	446,342	0	PT
93.837		5U01HL08970903SICR04RE	3600	57,152	0	PT
93.837		60028536 UW AM01	3600	1,629	0	PT
93.837		60029331 UW AMO1	3600	19,657	0	PT
93.837		8 (GG006750)	3600	55,212	0	PT
93.837		9500240921	3600	(624)	0	PT
93.837		9500301065	3600	20,994	0	PT
93.837		976-UW-2013	3600	9,040	0	PT
93.837		A57620	3600	16,551	0	PT
93.837		FY110420189104A55926	3600	(75,014)	0	PT
93.837		GPEDC0036A SAHN AM04	3600	47,523	0	PT
93.837		JPAPOSM58SMITN4SIBCR	3600	8,245	0	PT
93.837		M0700086 AM08	3600	162,476	0	PT
93.837		M13A11482 (A08800)	3600	43,913	0	PT
93.837		M13A11482PRIMER01HL085	3600	21,443	0	PT
93.837		NHL243-01	3600	299,117	0	PT
93.837		P001435606 AM02	3600	165,772	0	PT
93.837		P002081501	3600	4,170	0	PT
93.837		PO#10361SUB	3600	25,119	0	PT
93.837		QR852021AM01U01HL10523	3600	(410)	0	PT
93.837		QR852022 AM2	3600	20,889	0	PT
93.837		RES507061AM01PRIMEHL10	3600	38,893	0	PT

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93.837	Cardiovascular Diseases Research	RS20130511-01 AM01	3600	40,700	0	PT
93.837		RS20130511-01A2	3600	55,616	0	PT
93.837		SR00001764	3600	(53,308)	0	PT
93.837		SR00002293AM01	3600	195,982	0	PT
93.837		SR00002308	3600	99,859	0	PT
93.837		SUB2_HL110400	3600	78,836	0	PT
93.837		UW BUD# 630548	3600	78,382	0	PT
93.837		UW BUD# 630629	3600	3,001	0	PT
93.837		UW BUD# 661551	3600	73	0	PT
93.837		UW BUD# 664356	3600	(10,523)	0	PT
93.837		UW BUD# 664427	3600	(1,555)	0	PT
93.837		UW BUD# 667049	3600	39,365	0	PT
93.837		UW BUD# 667073	3600	17,196	0	PT
93.837		UW BUD# 667079	3600	13,554	0	PT
93.837		VUMC 36120 AM03	3600	35,054	0	PT
93.837		VUMC 39687	3600	325	0	PT
93.837		WFUHS 113873 AM04	3600	45,129	0	PT
93.837		WFUHS 14073 AM04	3600	20,304	0	PT
93.837		WU-07-222 AM09	3600	18,453	0	PT
93.837			3650	965,671	0	
	Federal Program 93.837 Total			**60,832,095**	**19,168,786**	
93.838	Lung Diseases Research		3600	8,325,955	1,545,738	
93.838		0000758955	3600	72,513	0	PT
93.838		0000760233	3600	4,509	0	PT
93.838		000726094	3600	7,058	0	PT
93.838		0016623PROJ1215474AM04	3600	99,939	0	PT
93.838		10216SUB MOD03	3600	72,050	0	PT
93.838		106476	3600	3,642	0	PT
93.838		106476 AM01	3600	137,282	0	PT
93.838		112127.5048790	3600	48,884	0	PT
93.838		2001502917 AM01	3600	209,175	0	PT
93.838		2032352	3600	88,931	0	PT
93.838		3 (ACCT# 5-36361) AM05	3600	11,850	0	PT
93.838		4 (ACCT #5-30084) AM1	3600	34,315	0	PT
93.838		4 (GG004022)	3600	12,281	0	PT

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93.838	Lung Diseases Research	6020SC AM03	3600	452	0	PT
93.838		6020SC AM04	3600	15,347	0	PT
93.838		6737SC AM01	3600	34,584	0	PT
93.838		AM01	3600	15,074	0	PT
93.838		FY12106601	3600	546,856	0	PT
93.838		FY12198901	3600	529,241	0	PT
93.838		FY12199001	3600	148,686	0	PT
93.838		FY12199301	3600	148,455	0	PT
93.838		HL67939, AM03	3600	24,559	0	PT
93.838		IN4624210UW	3600	34,175	0	PT
93.838		IN4685553UW	3600	3,092	0	PT
93.838		TASKORD140660MOD03MSTR	3600	482,826	0	PT
93.838		UW BUD# 634090	3600	204,816	0	PT
93.838		UW BUD# 662426	3600	58,545	0	PT
93.838		UW BUD# 663966	3600	4	0	PT
93.838		UW BUD# 667333	3600	7,840	0	PT
93.838		UW BUD# 667335	3600	5,662	0	PT
93.838		UW BUD# 667597	3600	33,749	0	PT
93.838		WU-09-179-MOD-4 AM04	3600	392,476	0	PT
	Federal Program 93.838 Total			**11,814,823**	**1,545,738**	
93.839	Blood Diseases and Resources Research		3600	6,277,914	1,329,533	
93.839		0000739098PRIME5R01HL0	3600	62,645	0	PT
93.839		0000765226	3600	19,903	0	PT
93.839		000308405-001 AM04	3600	75,466	0	PT
93.839		10237SUB AM02	3600	14,953	0	PT
93.839		10628SUB MOD01	3600	62,342	0	PT
93.839		10726SUB MOD01	3600	10,582	0	PT
93.839		715 UW2009/10 -1, AM02	3600	(407)	0	PT
93.839		715 UW2009/10-3 AM03	3600	15,424	0	PT
93.839		802-UW-2013	3600	24,806	0	PT
93.839			3800	66,301	0	
	Federal Program 93.839 Total			**6,629,929**	**1,329,533**	
93.846	Arthritis, Musculoskeletal and Skin Diseases Resea		3600	8,544,924	1,295,838	
93.846		0000747221	3600	61,194	0	PT
93.846		10166SUB AME02	3600	2,185	0	PT

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93.846	Arthritis, Musculoskeletal and Skin Diseases Resea	13458140-30300-B-AM05	3600	865	0	PT
93.846		3002095759AMO2PR01AR06	3600	19,099	0	PT
93.846		3002095759PRIMER01AR06	3600	62	0	PT
93.846		60027789 UW AM03	3600	16,615	0	PT
93.846		AFAMP0076-UW, AMD#6	3600	(4,047)	0	PT
93.846			3650	422,927	205,650	
93.846		FY14.553.001AMD3	3700	8,285	0	PT
	Federal Program 93.846 Total			**9,072,109**	**1,501,488**	
93.847	Diabetes Digestive Kidney Disease Extra		3600	23,378,840	2,913,638	
93.847		0000735533	3600	333	0	PT
93.847		0000741252	3600	8	0	PT
93.847		0000756451	3600	11,864	0	PT
93.847		0008705 (122323-1)	3600	373,205	0	PT
93.847		0012368 119570-1	3600	22,307	0	PT
93.847		0012368 121764-1	3600	268,017	0	PT
93.847		0019692 (120794-5)	3600	219,983	0	PT
93.847		034814	3600	435	0	PT
93.847		1 R43 DK 093070-01	3600	22,098	0	PT
93.847		1000119PROJECT867040AM	3600	34,403	0	PT
93.847		10019509-04	3600	9,992	0	PT
93.847		10019509-04 AM01	3600	10,864	0	PT
93.847		10289887-003	3600	1,880	0	PT
93.847		10662SUB	3600	665,697	0	PT
93.847		10662SUB MOD04	3600	55,157	0	PT
93.847		109748	3600	22,838	0	PT
93.847		109748 AM01	3600	70,327	0	PT
93.847		12-D17 AM01	3600	22,405	0	PT
93.847		12-D18 AM01	3600	583,644	0	PT
93.847		1553GPC5391DP3DK094311	3600	319,783	0	PT
93.847		25034-14	3600	25,705	0	PT
93.847		25034-22	3600	42,616	0	PT
93.847		25034-23	3600	27,713	0	PT
93.847		25730-1	3600	30,723	0	PT
93.847		3001343695U54DK083912A	3600	5,179	0	PT
93.847		38947675PR2P01DK054441	3600	46,522	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
93.847	Diabetes Digestive Kidney Disease Extra	5005665-SERV	3600	2,167	0	PT
93.847		5007632-SERV AM01	3600	6,911	0	PT
93.847		6119-1144-00-AD MOD05	3600	178,065	0	PT
93.847		6119-1144-00-Z MOD06	3600	728,205	0	PT
93.847		85285270X0813200MOD02	3600	35,475	0	PT
93.847		85285270X0813200MOD03	3600	105,149	0	PT
93.847		FY110390197801A55930	3600	1,402	0	PT
93.847		FY110400197801A55931	3600	3,142	0	PT
93.847		FY120360189702A74308	3600	17,698	0	PT
93.847		FY12197801	3600	44,759	0	PT
93.847		FY12197802	3600	15,637	0	PT
93.847		FY13106101	3600	1,686	0	PT
93.847		GMO1111315U01DK0583691	3600	9,352	0	PT
93.847		GMO111131AM015U01DK583	3600	57,826	0	PT
93.847		IE64441-66977	3600	46,063	0	PT
93.847		JPA/PO# HR15HR12SIBCR	3600	96,047	0	PT
93.847		JPA/PO# KS121KS11SIBCR	3600	376	0	PT
93.847		JPA/PO# KS121KS12SIBCR	3600	10,967	0	PT
93.847		JPA/PO#TG110MEIQ2SIBCR	3600	60,066	0	PT
93.847		JPA/PO#TG110MEIQ3SIBCR	3600	12,361	0	PT
93.847		JPA/PO#UK16UK11SIBCR	3600	31,042	0	PT
93.847		JPAPOBW24MOROFY2SIBCR	3600	35,606	0	PT
93.847		JPAPOKS121SCTD11SIBCR	3600	1,025	0	PT
93.847		JPAPOKS121SPIVEL3SIBCR	3600	3,650	0	PT
93.847		JPAPOLD12DKZAVA3SIBCR	3600	74,489	0	PT
93.847		KS1-21-LIPKIN2	3600	235	0	PT
93.847		KS1-21-LOVATO	3600	912	0	PT
93.847		KS1-21-SCUK11-SIBCR	3600	1,992	0	PT
93.847		KS1-21-SOCHA	3600	5,581	0	PT
93.847		KS1-21-SPIVEY	3600	332	0	PT
93.847		KS121LOVATC3SIBCR	3600	10,035	0	PT
93.847		KS121SCBE11SIBCR	3600	11,676	0	PT
93.847		KS121SCTD12SIBCR	3600	11,270	0	PT
93.847		KS121SOCHAJ3SIBCR	3600	66,391	0	PT
93.847		KS140-UW-1 MOD01	3600	69,747	0	PT
93.847		KS140PJ12SIBCR	3600	12,537	0	PT

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93.847	Diabetes Digestive Kidney Disease Extra	KS140UK11SIBCR	3600	12,953	0	PT
93.847		KS16KS12SIBCR	3600	14,524	0	PT
93.847		KS16LOVATC2SIBCR	3600	3,193	0	PT
93.847		KS16SCTD11SIBCR	3600	7,172	0	PT
93.847		KS16SPIVEL2SIBCR	3600	2,323	0	PT
93.847		KS16SPIVEL3SIBCR	3600	1,659	0	PT
93.847		M13A11502 (A09021)	3600	12,531	0	PT
93.847		N001447101	3600	4,836	0	PT
93.847		N002174701	3600	1,255	0	PT
93.847		N002174701 AM01	3600	222,626	0	PT
93.847		OICB111041Z02	3600	12,928	0	PT
93.847		OICB111O41Z02 AM01	3600	56,562	0	PT
93.847		PO#10303997-002	3600	6,263	0	PT
93.847		RES118674	3600	886	0	PT
93.847		RES506698AM01	3600	710	0	PT
93.847		RES507531 AM02 REV	3600	252,383	0	PT
93.847		S-DPP1213-JB02	3600	531,998	0	PT
93.847		S-DPP1314-JB02	3600	364,050	0	PT
93.847		UW BUD# 664426	3600	(158)	0	PT
93.847		UW BUD# 666152	3600	540	0	PT
93.847		W000311482PO1000944041	3600	29,439	0	PT
93.847		W000421367PO1001122954	3600	47,232	0	PT
93.847		WFUHS 14113 AM08	3600	247,538	0	PT
93.847		WFUHS 14122 AM07	3600	80,363	0	PT
93.847		WU0895PO2905423AAM06	3600	(5,955)	0	PT
93.847		WU11198PO2911630PAM03	3600	21,535	0	PT
93.847			3650	1,754,612	0	
93.847		NIDDK20110001	3650	137,168	0	PT
93.847		WSU001086	3650	(16,306)	0	PT
93.847			3750	90,874	0	
	Federal Program 93.847 Total			**31,938,146**	**2,913,638**	
93.848	Health & Human Services Dept		3600	162,502	0	
93.848			3650	9,179	5,731	
	Federal Program 93.848 Total			**171,681**	**5,731**	
93.849	Health & Human Services Dept		3600	234,465	0	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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93.849	Health & Human Services Dept	IUPUI4682197UWASH AM03	3600	345,971	0	PT
	Federal Program 93.849 Total			**580,436**	**0**	
93.853	Extramural Research Programs In the Neurosciences		3600	21,027,243	2,380,180	
93.853		0000738837	3600	156,195	0	PT
93.853		0000770105	3600	35,524	0	PT
93.853		100104	3600	10,118	0	PT
93.853		100104PORGC0000000128A	3600	51,349	0	PT
93.853		10316345-002	3600	31,693	0	PT
93.853		10316345-01 SUB	3600	6,527	0	PT
93.853		120114PRIME5R01NS06186	3600	24,489	0	PT
93.853		147758	3600	55,454	0	PT
93.853		157934	3600	(116)	0	PT
93.853		203-1590	3600	62,253	0	PT
93.853		203-2297	3600	577,507	0	PT
93.853		208248AM04R01NS0597270	3600	2,501	0	PT
93.853		5UO1NS05247805AMD2	3600	15	0	PT
93.853		60026665 UW AM02	3600	48,783	0	PT
93.853		60030115 UW AM02	3600	208,669	0	PT
93.853		6495SC AM03	3600	5,870	0	PT
93.853		6495SC AM04	3600	29,066	0	PT
93.853		7150SC	3600	9,846	0	PT
93.853		9000010265	3600	44,524	0	PT
93.853		9003187-UW	3600	15,989	0	PT
93.853		9008346-UWHMC	3600	27,280	0	PT
93.853		9008715_HMC	3600	18,744	0	PT
93.853		A07917M11A10873AM02	3600	(205)	0	PT
93.853		AAIRC0023A AM02	3600	47,870	0	PT
93.853		AAIRC0023A AM03	3600	12,789	0	PT
93.853		F09-04487 AM02	3600	1,174	0	PT
93.853		H38B11-01	3600	2,824	0	PT
93.853		H38B11-02	3600	3,465	0	PT
93.853		N001257301AM01	3600	5,250	0	PT
93.853		PR5R01NS03592911AM01	3600	73,982	0	PT
93.853		S971999	3600	20,591	0	PT
93.853		SUBAWARD #1	3600	100	0	PT

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93.853	Extramural Research Programs In the Neurosciences	UW OSP# A_A54454	3600	2,137	0	PT
93.853		W000311706 AM14	3600	16,768	0	PT
93.853			3650	930,261	0	
	Federal Program 93.853 Total			**23,566,529**	**2,380,180**	
93.855	Allergy, Immunology and Transplantation Research		3600	58,944,298	9,461,670	
93.855		0000694218 AMD #1	3600	(720)	0	PT
93.855		0000709819	3600	(718)	0	PT
93.855		0000716293	3600	1,282	0	PT
93.855		0000716858	3600	1,232	0	PT
93.855		0000716858 AM02	3600	(1,248)	0	PT
93.855		0000716858 AM03	3600	685	0	PT
93.855		0000721728	3600	(131)	0	PT
93.855		0000723371 AM01	3600	1,045	0	PT
93.855		0000723373 AM01	3600	2,650	0	PT
93.855		0000723375 AM01	3600	1,459	0	PT
93.855		0000724172 AM01	3600	(73,298)	0	PT
93.855		0000730219 AM01	3600	53,348	0	PT
93.855		0000730790	3600	718	0	PT
93.855		0000732834	3600	193,726	0	PT
93.855		0000734544	3600	43,497	0	PT
93.855		0000735180	3600	40,206	0	PT
93.855		0000735301	3600	1,889	0	PT
93.855		0000739400 AM01	3600	24,980	0	PT
93.855		0000739784	3600	176,578	0	PT
93.855		0000740184	3600	33,369	0	PT
93.855		0000744762	3600	141,951	0	PT
93.855		0000744777	3600	34,044	0	PT
93.855		0000745629 AM01	3600	99,004	0	PT
93.855		0000747659	3600	216,914	0	PT
93.855		00007484725P01AI030731	3600	77,834	0	PT
93.855		0000748478	3600	222,204	0	PT
93.855		0000748481	3600	300,940	0	PT
93.855		0000748489	3600	176,253	0	PT
93.855		0000748516	3600	200,477	0	PT
93.855		0000748517	3600	233,629	0	PT

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93.855	Allergy, Immunology and Transplantation Research	0000748521	3600	250,576	0	PT
93.855		0000748867	3600	291,739	0	PT
93.855		0000748870	3600	2,894,382	0	PT
93.855		0000749583 AM01	3600	459,642	0	PT
93.855		0000749607	3600	820,350	0	PT
93.855		0000750091 AM01	3600	54,187	0	PT
93.855		0000750153	3600	43,554	0	PT
93.855		0000750158	3600	27,253	0	PT
93.855		0000750158 AM01	3600	16,162	0	PT
93.855		0000750159 AM01	3600	84,051	0	PT
93.855		0000750383	3600	228,454	0	PT
93.855		0000750394 AM01	3600	21,421	0	PT
93.855		0000751357	3600	38,423	0	PT
93.855		0000751358	3600	38,423	0	PT
93.855		0000751598 AM01	3600	482,534	0	PT
93.855		0000751687	3600	77,185	0	PT
93.855		0000751832	3600	272,243	0	PT
93.855		0000761042 AM01	3600	166,997	0	PT
93.855		0000761408	3600	164,357	0	PT
93.855		0000762014	3600	365,190	0	PT
93.855		0000763849	3600	738,470	0	PT
93.855		0000764789	3600	144,510	0	PT
93.855		0000765806	3600	26,041	0	PT
93.855		0000767348	3600	21,115	0	PT
93.855		0000769010	3600	40,667	0	PT
93.855		0000769700	3600	48,948	0	PT
93.855		0000772228	3600	42,981	0	PT
93.855		000384588-001 AM01	3600	(172)	0	PT
93.855		000384588-001 AM02	3600	44,809	0	PT
93.855		000384599-002 AM031	3600	51,551	0	PT
93.855		000384599-007 AM04	3600	22,342	0	PT
93.855		000397076-005	3600	77,211	0	PT
93.855		000397076-012 AM01	3600	191,257	0	PT
93.855		000397076-012 AM02	3600	168,563	0	PT
93.855		000397076-012 AM03	3600	573,400	0	PT
93.855		000421524-002 AM01	3600	61,555	0	PT

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93.855	Allergy, Immunology and Transplantation Research	000421793-003	3600	18,612	0	PT
93.855		00052631139862AM03	3600	1	0	PT
93.855		00052631139862AM04	3600	29,681	0	PT
93.855		0007287355U01AI068618	3600	(92)	0	PT
93.855		0010255 (120782-1)	3600	82,907	0	PT
93.855		0022494 (119409-3)AM01	3600	38,845	0	PT
93.855		00224941194092AM01	3600	2,562	0	PT
93.855		0026975AM031197431	3600	88,511	0	PT
93.855		10009618-UW-01 MOD01	3600	115,752	0	PT
93.855		10013 SUB AM03	3600	9,334	0	PT
93.855		10038SUB-AM03	3600	2,491	0	PT
93.855		101114198 AM03	3600	10,737	0	PT
93.855		1015110 AM10	3600	31,361	0	PT
93.855		10189SUB AM03	3600	259,051	0	PT
93.855		10268SUB AM04	3600	6,726	0	PT
93.855		10293192, AM04	3600	144,917	0	PT
93.855		10330SUB MOD02	3600	123,731	0	PT
93.855		104281, AM04	3600	178,403	0	PT
93.855		10590SUB	3600	144,947	0	PT
93.855		10788SUB	3600	734	0	PT
93.855		108079 AM01	3600	268,246	0	PT
93.855		108081 AM03	3600	461,630	0	PT
93.855		108085 AM01	3600	12,049	0	PT
93.855		108088 AM01	3600	34,273	0	PT
93.855		108279 MOD01	3600	11,157	0	PT
93.855		108406 MOD01	3600	211,217	0	PT
93.855		108561	3600	37,686	0	PT
93.855		11122122	3600	76,573	0	PT
93.855		13020246-2	3600	40,877	0	PT
93.855		171K765 AM03	3600	290,403	0	PT
93.855		191675W AM03	3600	1,080,398	0	PT
93.855		2001317198	3600	24	0	PT
93.855		2001317198 MOD01	3600	1	0	PT
93.855		2001317198, MOD03	3600	477,496	0	PT
93.855		22206046C	3600	96,645	0	PT
93.855		23069-21	3600	109,700	0	PT

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93.855	Allergy, Immunology and Transplantation Research	23570-114063 AM02	3600	57,989	0	PT
93.855		4611	3600	355,772	0	PT
93.855		4626 P:1 U19 AI082639	3600	15,385	0	PT
93.855		5-33047	3600	262,644	0	PT
93.855		5-33051	3600	978,165	0	PT
93.855		5-33053	3600	195,333	0	PT
93.855		5-50817 AM05	3600	97,669	0	PT
93.855		60022770 MOD01	3600	38,349	0	PT
93.855		60036897PORF01314964	3600	55,090	0	PT
93.855		6135321/RFS2012035	3600	31,458	0	PT
93.855		6143803/RFS2013031	3600	561,348	0	PT
93.855		7364SC	3600	3,220	0	PT
93.855		9004157_UW_BEVAN	3600	79,011	0	PT
93.855		9004157_UW_GALE AM06	3600	39,768	0	PT
93.855		9004157_UW_KATZE	3600	202,594	0	PT
93.855		9004157UWLAGUNOFFAM04	3600	55,018	0	PT
93.855		9211 AM01	3600	(1,504)	0	PT
93.855		9243 AM01	3600	742,895	0	PT
93.855		9265 AM01	3600	55,063	0	PT
93.855		971/0080.0173 AM01	3600	3,127	0	PT
93.855		AVGTI0103UOFWNBEVANAM0	3600	250,142	0	PT
93.855		AVGTI0103UOFWNGALEAM05	3600	171,754	0	PT
93.855		AVGTI0103UOFWNKATZEAM0	3600	451,870	0	PT
93.855		BRS-ACURE-S-12-002216	3600	604	0	PT
93.855		BRSACURES1100004600121	3600	(81)	0	PT
93.855		BRSACURES1100004600206	3600	(92)	0	PT
93.855		BRSACURES1200004600249	3600	436	0	PT
93.855		BRSACURES1200004600250	3600	6	0	PT
93.855		DREXEL 232284 MOD7	3600	10,226	0	PT
93.855		FY11284002FY12AM02UW	3600	19,011	0	PT
93.855		FY13109804	3600	1,886	0	PT
93.855		GMO111101PRIME2R56AI53	3600	89,149	0	PT
93.855		GMO130301 PO#386	3600	145,608	0	PT
93.855		GVGT10103O8 AM03	3600	130,343	0	PT
93.855		GVGTI0103UWKATZESUPPAM	3600	23,600	0	PT
93.855		IN-4689724-UW AM02	3600	92,509	0	PT

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93.855	Allergy, Immunology and Transplantation Research	MMV06/0013	3600	250,607	0	PT
93.855		PO# 10289256-004	3600	24,746	0	PT
93.855		PO#10293192-003	3600	(2,311)	0	PT
93.855		SP0007967PROJ0002212AM	3600	132,218	0	PT
93.855		SUB 5 R01 AI 083060-04	3600	11,396	0	PT
93.855		SUBCONTRACT 3470 MOD01	3600	85,785	0	PT
93.855		SUBPRIME1R01AI09083101	3600	73,067	0	PT
93.855		TUL-HSC-280-11/12	3600	8,912	0	PT
93.855		UW #10073	3600	41,918	0	PT
93.855		UW #10073 MOD01	3600	65,900	0	PT
93.855		UW BUD# 661891	3600	28,679	0	PT
93.855		UW BUD# 662920	3600	61,199	0	PT
93.855		UW BUD# 663932	3600	36,827	0	PT
93.855		UW BUD# 665409	3600	15,513	0	PT
93.855		UW BUD# 666481	3600	6,488	0	PT
93.855		UW BUD# 667004	3600	10,892	0	PT
93.855		UW BUD# 667172	3600	2,897	0	PT
93.855		UW BUD# 667173	3600	2,897	0	PT
93.855		UW BUD# 667364	3600	2,608	0	PT
93.855		UW-12534 MOD02	3600	18,968	0	PT
93.855		UW-16062 MOD03	3600	170,564	0	PT
93.855			3650	1,958,852	0	
93.855		10685SUB	3650	364,575	0	PT
	Federal Program 93.855 Total			**83,284,616**	**9,461,670**	
93.856	Microbiology and Infectious Diseases Research		3600	29,586	0	
93.856		04-106153-05-S0967	3600	(83,821)	0	PT
	Federal Program 93.856 Total			**(54,235)**	**0**	
93.859	Biomedical Research and Research Training		3600	33,945,891	2,182,637	
93.859		09-130 AM03	3600	7,307	0	PT
93.859		10318834-SUB-001	3600	209,198	0	PT
93.859		11138-03	3600	(10,279)	0	PT
93.859		114041-5026836 AM01	3600	15,499	0	PT
93.859		18821-S1 AM05	3600	(1,442)	0	PT
93.859		204804 MOD06	3600	12,128	0	PT
93.859		23570114041AM02U54GM08	3600	38,628	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	5-30194 AM02	3600	21,775	0	PT
93.859		5-30194 AM04	3600	110,475	0	PT
93.859		5R01GM09290002PRIME	3600	13,869	0	PT
93.859		9-526-2175AM01	3600	2,026	0	PT
93.859		9-526-6062 AM02	3600	70,954	0	PT
93.859		FY07001007FY12001010AM	3600	16,526	0	PT
93.859		FY12.001.005 AM05	3600	568	0	PT
93.859		FY12197601	3600	8,868	0	PT
93.859		GC11617-139123 AM01	3600	4,500	0	PT
93.859		PO 539704 AM05	3600	(1,366)	0	PT
93.859		PO-027585	3600	6,374	0	PT
93.859		PO-032173	3600	4,553	0	PT
93.859		PRIME1P50GM09450301A1	3600	42,295	0	PT
93.859		PRIME5P50GM09450302A20	3600	221,261	0	PT
93.859		UW BUD# 660882	3600	44,585	0	PT
93.859		UW BUD# 662666	3600	33,419	0	PT
93.859		UW BUD# 664860	3600	53,609	0	PT
93.859		UW BUD# 664958	3600	44,314	0	PT
93.859		UW BUD# 666847	3600	2,966	0	PT
93.859		UW BUD# 667056	3600	34,687	0	PT
93.859			3650	1,917,857	38,719	
93.859		WU11306	3650	91,563	0	PT
93.859		0080194 Sub#UF09051 A4	3700	27,656	0	PT
93.859			3800	80,331	0	
93.859		681978	6990	7,595	0	PT
	Federal Program 93.859 Total			**37,078,190**	**2,221,356**	
93.865	Child Health and Human Development Extramural Rese		3600	22,643,992	3,697,885	
93.865		0000	3600	3,899	0	PT
93.865		0000718052 AM02	3600	(3,596)	0	PT
93.865		0000720524	3600	5,925	0	PT
93.865		0000720538 AMEND1	3600	(72,123)	0	PT
93.865		0000720543	3600	23,977	0	PT
93.865		0000744353	3600	135,621	0	PT
93.865		0000747286AM015P01HD06	3600	454,268	0	PT
93.865		0000747305	3600	132,521	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
93.865	Child Health and Human Development Extramural Rese	0000767818	3600	47,643	0	PT
93.865		0000767820	3600	45,270	0	PT
93.865		0000767845	3600	17,265	0	PT
93.865		0019692 (119569-05)	3600	4,853	0	PT
93.865		0024922 (120171-10)	3600	68,425	0	PT
93.865		0024922 (122818-4)	3600	34,649	0	PT
93.865		0024922(120171-9)	3600	13,195	0	PT
93.865		04162012	3600	23,714	0	PT
93.865		10-0002 AM02	3600	124,081	0	PT
93.865		101545939	3600	32,918	0	PT
93.865		10211SUB AM5	3600	(201)	0	PT
93.865		10255SUB MOD02	3600	29,916	0	PT
93.865		10286SUB MOD02	3600	16,649	0	PT
93.865		10478SUB MOD01	3600	24,852	0	PT
93.865		10479SUB MOD01	3600	21,795	0	PT
93.865		108863 AM02	3600	(1,174)	0	PT
93.865		114119.5060443	3600	15,059	0	PT
93.865		1215 G JB215 AM05	3600	2,488	0	PT
93.865		1521-2 AM01	3600	(501)	0	PT
93.865		2011-01659-02 AM02	3600	16,796	0	PT
93.865		380-04	3600	997	0	PT
93.865		5-33193	3600	512,269	0	PT
93.865		5-33193 AM07	3600	28,474	0	PT
93.865		5-33285	3600	83,959	0	PT
93.865		5-51032 AM02	3600	(27)	0	PT
93.865		5-51032 AM03	3600	102,094	0	PT
93.865		5001521-2 AM02	3600	15,600	0	PT
93.865		5600716840	3600	249,615	0	PT
93.865		5R01HD0702002200142605	3600	16,961	0	PT
93.865		60032241 UW	3600	57,636	0	PT
93.865		60041595-47512-A AM01	3600	34,400	0	PT
93.865		684136	3600	(7,595)	0	PT
93.865		693248	3600	(537)	0	PT
93.865		7023 PO#4876	3600	246,441	0	PT
93.865		747304	3600	271,231	0	PT
93.865		803033 A YR1 AM01	3600	2,028	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
93.865	Child Health and Human Development Extramural Rese	AM03	3600	8,769	0	PT
93.865		FY2007091MOD07	3600	168,427	0	PT
93.865		HC12663 AM03	3600	21,842	0	PT
93.865		PO#0000771499	3600	(609)	0	PT
93.865		R01 HD 061400 MOD01	3600	175,744	0	PT
93.865		S-MFM1112-VD12	3600	85,603	0	PT
93.865		S-MFM1213-JB12	3600	31,856	0	PT
93.865		SR1317	3600	27,689	0	PT
93.865		SUB1202103UO1HD0426520	3600	(15)	0	PT
93.865		SUBAWARD# 0000684142	3600	(23,995)	0	PT
93.865		SUBAWARD# 0000697384	3600	1,593	0	PT
93.865		U10HD057753AM02	3600	20,693	0	PT
93.865		UW 803235A MOD04	3600	20,377	0	PT
93.865		UW BUD# 661943	3600	58,535	0	PT
93.865		UW BUD# 665381	3600	383,691	0	PT
93.865		UW BUD# 666788	3600	62,588	0	PT
93.865			3650	2,938,944	361,584	
93.865		1.16341E+12	3650	46,260	0	PT
93.865		5600653614	3650	71,503	0	PT
93.865		9003418005WSU	3650	33,007	0	PT
93.865			3800	66,236	0	
	Federal Program 93.865 Total			**29,674,460**	**4,059,469**	
93.866	Aging Research		3600	19,733,125	2,752,291	
93.866		00000056PO992706AM05	3600	50,991	0	PT
93.866		0000730637	3600	6,113	0	PT
93.866		0000751935AM1U01AG0326	3600	36,917	0	PT
93.866		00012200 119695-6 AM01	3600	199,126	0	PT
93.866		0900012 AM04	3600	73,231	0	PT
93.866		10213SUB AM03	3600	51,226	0	PT
93.866		1536 AM02	3600	8,337	0	PT
93.866		2011122050 MOD01	3600	67,295	0	PT
93.866		2012-2867	3600	16,522	0	PT
93.866		2012101790	3600	5,319	0	PT
93.866		2012107330	3600	13,632	0	PT
93.866		2012108386 MOD01	3600	116,389	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	2012108386 MOD02	3600	12,234	0	PT
93.866		2012110257	3600	2,660	0	PT
93.866		2012110766 MOD01	3600	19,933	0	PT
93.866		2012116175 MOD01	3600	39,637	0	PT
93.866		2012121176	3600	54,053	0	PT
93.866		3002473402 AM01	3600	386,112	0	PT
93.866		310102	3600	27,025	0	PT
93.866		5005011-SERV	3600	46,599	0	PT
93.866		556636 AM01	3600	24,064	0	PT
93.866		556636AM01 PO#2878583	3600	23,570	0	PT
93.866		56160-11676-UWS AM03	3600	72,336	0	PT
93.866		6155-1030-00-A	3600	118,849	0	PT
93.866		9-526-4859 AMEND 01	3600	(2,172)	0	PT
93.866		9500223494 AM03	3600	37,042	0	PT
93.866		95262762AM02KR01AG0318	3600	6,507	0	PT
93.866		AG006781-25-UW	3600	803,494	0	PT
93.866		AG006781-UW	3600	160,225	0	PT
93.866		AMENDMENT 3	3600	(1,172)	0	PT
93.866		BW22BW2_3_SIBCR	3600	33,502	0	PT
93.866		BW22HANSEK2SIBCR	3600	12,278	0	PT
93.866		FY08.001.011 AMEND 4	3600	5	0	PT
93.866		FY13001007PROJ2574695	3600	81,440	0	PT
93.866		JPAPOCS120BL12SIBCRMO1	3600	5,493	0	PT
93.866		JPAPOPE1AG033133LG11SI	3600	4,531	0	PT
93.866		JPAPOPE1AG033133PE1SIB	3600	41,913	0	PT
93.866		JPAPOPE1AG033133SHOFER	3600	27,430	0	PT
93.866		PE1AG033133LG12SIBCR	3600	49,838	0	PT
93.866		PE1AG033133SIKKEC1SIBC	3600	3,474	0	PT
93.866		POPE1AG033133SIKKEC2SI	3600	38,214	0	PT
93.866		SIAPS-2011-003 TO08	3600	300	0	PT
93.866		SUBAWARD#394K192AM01	3600	19,060	0	PT
93.866		UW BUD# 666567	3600	4,452	0	PT
93.866		UW BUD# 666786	3600	8,158	0	PT
93.866		UW BUD# 666938	3600	18,563	0	PT
93.866		UW-33-4135-07-5	3600	20,000	0	PT
93.866		VUMC 40785 AM01	3600	3,139	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 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		3650	85,335	0	
	Federal Program 93.866 Total			**22,666,344**	**2,752,291**	
93.867	Vision Research		3600	11,803,803	265,371	
93.867		00007517 AM01	3600	(70,185)	0	PT
93.867		00007517 AM02	3600	307,212	0	PT
93.867		1 (GG010289) PO#G04015	3600	2,217	0	PT
93.867		1 R01 EY 022302-01	3600	13,714	0	PT
93.867		1002605_UW	3600	13,329	0	PT
93.867		10315588-002	3600	41,216	0	PT
93.867		39543216	3600	2,798	0	PT
93.867		7271SC	3600	17,406	0	PT
93.867		9-29-03	3600	54,414	0	PT
93.867		N640615302 AM03	3600	1,440	0	PT
93.867		N640615302, AM05	3600	152,371	0	PT
93.867		PO#10317338-SUB	3600	321,136	0	PT
93.867			3650	161,566	0	
93.867		6880	3650	34,982	0	PT
93.867		GCAEI0244A	3650	33,624	0	PT
93.867		GPHYP0181WSU	3650	112,355	0	PT
	Federal Program 93.867 Total			**13,003,398**	**265,371**	
93.879	Medical Library Assistance		3600	1,293,236	5,895	
93.879		UW BUD# 662794	3600	279,952	0	PT
93.879		M11A10935	3650	3,979	0	PT
	Federal Program 93.879 Total			**1,577,167**	**5,895**	
	National Institutes of Health Total			**331,835,688**	**47,611,146**	
93.933	Demonstration Projects for Indian Health	U26IHS30029301SA04AM05	3600	168,074	0	PT
	Federal Program 93.933 Total			**168,074**	**0**	
	Indian Health Service Total			**168,074**	**0**	
93.941	HIV Demonstration, Research, Public and Profession		3600	713,362	0	
	Federal Program 93.941 Total			**713,362**	**0**	
93.978	Preventive Health Services_sexually Transmitted DI		3600	(9,698)	0	
	Federal Program 93.978 Total			**(9,698)**	**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 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
	Centers for Disease Control and Prevention Total			**703,664**	**0**	
93.989	International Research and Research Training		3600	2,361,485	402,996	
93.989		3 R24 TW 008889-02S1	3600	10,062	0	PT
93.989		5 D 43 TW 008438 3	3600	1	0	PT
93.989		5 R24 TW 008889-02 REV	3600	(2,797)	0	PT
93.989		D43TW008438-04	3600	49,109	0	PT
93.989		MEPI UW02	3600	43,558	0	PT
93.989		PRIME5R24TW00888903	3600	158,424	0	PT
93.989		SUB# VUMC 35540 AM02	3600	6,326	0	PT
93.989		VUMC 34749 AM03	3600	14,038	0	PT
93.989		VUMC 35542 AM01	3600	(2,019)	0	PT
93.989		VUMC 36924 AM01	3600	4,786	0	PT
93.989		VUMC 36924 AM02	3600	31,378	0	PT
93.989		VUMC 38302 AM01	3600	25,160	0	PT
93.989		VUMC 38425 AM01	3600	17,988	0	PT
93.989		VUMC35544AM25R24TW0079	3600	(7)	0	PT
93.989		VUMC35559AM35R24TW0079	3600	1,260	0	PT
93.989		VUMC36834AM01	3600	(1,514)	0	PT
	Federal Program 93.989 Total			**2,717,238**	**402,996**	
	National Institutes of Health Total			**2,717,238**	**402,996**	
	Dept of Health & Human Services Total			**578,972,149**	**74,436,835**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Research and Development

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
98.000	Strengthening Afghan Agricultural Faculties (Saaf)	4.106E+17	3650	69,263	0	PT
98.000		ROPAGREDSUB120003	3650	28,200	0	PT
	Federal Program 98.000 Total			**97,463**	**0**	
	International Development Total			**97,463**	**0**	
	U.S. Agency for International Development Total			**97,463**	**0**	
Research and Development Total				**943,027,809**	**111,589,269**	

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	2,223,174	0	
84.007			3650	1,195,122	0	
84.007			3700	420,941	0	
84.007			3750	269,320	0	
84.007			3760	253,578	0	
84.007			6990	5,152,040	0	
	Federal Program 84.007 Total			**9,514,175**	**0**	
84.033	Federal Work-Study Program		3600	1,777,829	0	
84.033			3650	873,699	0	
84.033			3700	465,062	0	
84.033			3750	358,871	0	
84.033			3760	315,400	0	
84.033			3800	491,444	0	
84.033			6990	4,581,362	0	
	Federal Program 84.033 Total			**8,863,667**	**0**	
84.038	Federal Perkins Loan Program_federal Capital Contr		3600	7,699,934	0	
84.038			3600	46,465,866	0	OL
84.038			3650	2,630,785	0	
84.038			3650	17,451,350	0	OL
84.038			3700	4,841,405	0	OL
84.038			3700	899,078	0	
84.038			3750	7,105,113	0	OL
84.038			3750	945,684	0	
84.038			3760	3,887,140	0	OL
84.038			3760	542,443	0	
84.038			3800	1,027,779	0	
84.038			3800	8,183,667	0	OL
84.038			6990	242,681	0	
84.038			6990	1,656,026	0	OL
	Federal Program 84.038 Total			**103,578,951**	**0**	
84.063	Federal Pell Grant Program		3600	45,798,566	0	
84.063			3650	30,785,509	0	
84.063			3700	19,425,030	0	
84.063			3750	16,437,440	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
84.063	Federal Pell Grant Program		3760	8,696,597	0	
84.063			3800	15,070,532	0	
84.063			6990	265,474,097	0	
	Federal Program 84.063 Total			**401,687,771**	**0**	
84.268	Federal Direct Student Loans		3600	281,835,645	0	
84.268			3650	161,742,376	0	
84.268			3700	69,691,141	0	
84.268			3750	68,442,915	0	
84.268			3760	24,210,882	0	
84.268			3800	68,175,655	0	
84.268			6990	221,919,790	0	
	Federal Program 84.268 Total			**896,018,404**	**0**	
84.379	Teacher Education Assistance for College and Highe		3650	71,212	0	
84.379			3750	314,746	0	
84.379			3760	35,236	0	
84.379			6990	9,758	0	
	Federal Program 84.379 Total			**430,952**	**0**	
	Dept of Education Total			**1,420,093,920**	**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	93,964	0	
93.264			3600	1,304,892	0	OL
93.264			3650	536,687	0	
93.264			3650	710,514	0	OL
	Federal Program 93.264 Total			**2,646,057**	**0**	
93.342	Health Professions Student Loans, Including Primar		3600	11,421,712	0	OL
93.342			3600	61,471	0	
93.342			3650	2,145,134	0	OL
93.342			3650	355,929	0	
	Federal Program 93.342 Total			**13,984,246**	**0**	
93.364	Nursing Student Loans		3600	28,912	0	
93.364			3600	1,788,598	0	OL
93.364			3650	1,439,140	0	OL
93.364			3650	212,250	0	
	Federal Program 93.364 Total			**3,468,900**	**0**	
93.408	ARRA - Nurse Faculty Loan Program		3600	152,856	0	OL
	Federal Program 93.408 Total			**152,856**	**0**	
93.925	Scholarships for Health Professions Students From		3600	1,000	0	
	Federal Program 93.925 Total			**1,000**	**0**	
	Dept of Health & Human Services Total			**20,253,059**	**0**	
Student Financial Assistance Total				**1,440,346,979**	**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	99,339	27,560	
10.551			3000	1,684,186,666	0	NC
	Federal Program 10.551 Total			**1,684,286,005**	**27,560**	
10.561	State Admin Match - Grants for SNAP		3000	71,482,727	5,183,446	
	Federal Program 10.561 Total			**71,482,727**	**5,183,446**	
	Dept of Agriculture Total			**1,755,768,732**	**5,211,006**	
SNAP Total				**1,755,768,732**	**5,211,006**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Food Distribution

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
10.565	Commodity Supplemental Food Program		3000	42,848	0	NC
10.565			3500	20,581,689	0	NC
10.565			4950	358,757	0	
	Federal Program 10.565 Total			**20,983,294**	**0**	
10.568	Temp Emerg Food Assist - Admin		4950	1,551,566	0	
	Federal Program 10.568 Total			**1,551,566**	**0**	
	Dept of Agriculture Total			**22,534,860**	**0**	
Food Distribution Total				**22,534,860**	**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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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	49,277,745	49,277,745	
	Federal Program 10.553 Total			**49,277,745**	**49,277,745**	
10.555	National School Lunch Program		3500	181,493,595	181,493,595	
	Federal Program 10.555 Total			**181,493,595**	**181,493,595**	
10.556	Special Milk Program for Children		3500	238,734	238,734	
	Federal Program 10.556 Total			**238,734**	**238,734**	
10.559	Summer Food Service Program for Children		3500	4,753,314	4,640,987	
	Federal Program 10.559 Total			**4,753,314**	**4,640,987**	
	Dept of Agriculture Total			**235,763,388**	**235,651,061**	
Child Nutrition Total				**235,763,388**	**235,651,061**	

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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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	E31TW2WSU59312676	3650	2,791	0	PT
15.605			4770	7,335,009	0	
	Federal Program 15.605 Total			**7,337,800**	**0**	
15.611	Wildlife Restoration and Basic Hunter Education	WSU002006	3650	14,593	0	PT
15.611			4770	7,447,992	0	
15.611			4900	9,133	0	
	Federal Program 15.611 Total			**7,471,718**	**0**	
	Dept of the Interior Total			**14,809,518**	**0**	
Fish and Wildlife Total				**14,809,518**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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For the Year Ended
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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	13,337,440	0	
	Federal Program 17.207 Total			**13,337,440**	**0**	
17.801	Disabled Veterans' Outreach Program (Dvop)		5400	2,183,540	0	
	Federal Program 17.801 Total			**2,183,540**	**0**	
17.804	Local Veterans' Employment Representative Program		5400	2,235,283	0	
	Federal Program 17.804 Total			**2,235,283**	**0**	
	Dept of Labor Total			**17,756,263**	**0**	
Employment Service Total				**17,756,263**	**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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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		5400	17,860,091	17,346,561	
17.258		11/190-VAR	6990	102,519	0	PT
17.258		NAC IBESST B124-B231	6990	15,825	0	PT
	Federal Program 17.258 Total			**17,978,435**	**17,346,561**	
17.258A	ARRA - WIA Adult Program	11/186-VAR	6990	92,218	0	PT
	Federal Program 17.258A Total			**92,218**	**0**	
17.259	WIA Youth Activities		5400	17,596,027	15,799,576	
	Federal Program 17.259 Total			**17,596,027**	**15,799,576**	
17.278	WIA Dislocated Worker Formula Grants		5400	22,369,256	21,520,862	
	Federal Program 17.278 Total			**22,369,256**	**21,520,862**	
	Dept of Labor Total			**58,035,936**	**54,666,999**	
WIA Total				**58,035,936**	**54,666,999**	

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		3800	437,251	0	
20.500			4050	21,035,610	7,122,490	
	Federal Program 20.500 Total			**21,472,861**	**7,122,490**	
20.507	Federal Transit Formula Grants	145-161-1V6C	6990	29,130	0	PT
	Federal Program 20.507 Total			**29,130**	**0**	
	Dept of Transportation Total			**21,501,991**	**7,122,490**	
Federal Transit Total				**21,501,991**	**7,122,490**	

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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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	4,483,488	2,846,011	
20.600		NONE IDENTIFIED	3760	1,401	0	PT
	Federal Program 20.600 Total			**4,484,889**	**2,846,011**	
20.601	Alcohol Impaired Driving Countermeasures Incentive		2280	2,170,725	2,170,725	
	Federal Program 20.601 Total			**2,170,725**	**2,170,725**	
20.602	Occupant Protection Incentive Grants		2280	588,439	588,439	
	Federal Program 20.602 Total			**588,439**	**588,439**	
20.609	Safety Belt Performance Grants		2280	4,981	4,981	
	Federal Program 20.609 Total			**4,981**	**4,981**	
20.610	State Traffic Safety Information System Improvemen		2280	483,382	457,678	
	Federal Program 20.610 Total			**483,382**	**457,678**	
20.612	Incentive Grant Program to Increase Motorcyclist S		2280	75,598	75,598	
	Federal Program 20.612 Total			**75,598**	**75,598**	
20.613	Child Safety and Child Booster Seats Incentive Gra		2280	288,686	288,686	
	Federal Program 20.613 Total			**288,686**	**288,686**	
	Dept of Transportation Total			**8,096,700**	**6,432,118**	
Highway Safety Total				**8,096,700**	**6,432,118**	

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	225,427,193	222,558,772	
84.027		1211100004/1211100005	3750	17,800	0	PT
84.027		1211200005/1211200004	3750	150,894	0	PT
	Federal Program 84.027 Total			**225,595,887**	**222,558,772**	
84.173	Special Ed - Preschool Grants		3500	8,746,496	8,508,863	
	Federal Program 84.173 Total			**8,746,496**	**8,508,863**	
	Dept of Education Total			**234,342,383**	**231,067,635**	
Special Education (IDEA) Total				**234,342,383**	**231,067,635**	

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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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	650,469	0	
84.042			3650	386,617	0	
84.042			3700	373,730	0	
84.042			3750	294,650	0	
84.042			3760	315,587	0	
84.042			6990	5,224,148	0	
	Federal Program 84.042 Total			**7,245,201**	**0**	
84.044	TRIO Talent Search		3600	329,427	0	
84.044			6990	1,091,927	0	
	Federal Program 84.044 Total			**1,421,354**	**0**	
84.047	TRIO Upward Bound		3600	584,875	0	
84.047			3650	1,104,807	0	
84.047			3760	494,745	0	
84.047			6990	2,088,326	0	
	Federal Program 84.047 Total			**4,272,753**	**0**	
84.066	TRIO Educational Opportunity Centers		3750	246,969	0	
84.066			6990	234,312	0	
	Federal Program 84.066 Total			**481,281**	**0**	
84.217	TRIO Mcnair Post-Baccalaureate Achievement		3600	218,872	0	
84.217			3650	221,414	0	
84.217			3700	241,284	0	
84.217			3750	224,320	0	
	Federal Program 84.217 Total			**905,890**	**0**	
	Dept of Education Total			**14,326,479**	**0**	
TRIO Total				**14,326,479**	**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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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	9,976,977	9,216,724	
	Federal Program 93.044 Total			**9,976,977**	**9,216,724**	
93.045	Special Programs for the Aging Title III, Part C N		3000	9,841,960	9,841,960	
	Federal Program 93.045 Total			**9,841,960**	**9,841,960**	
93.053	Nutrition Services Incentive Program		3000	2,048,434	2,048,434	
	Federal Program 93.053 Total			**2,048,434**	**2,048,434**	
	Dept of Health & Human Services Total			**21,867,371**	**21,107,118**	
Aging Total				**21,867,371**	**21,107,118**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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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	79,008,009	0	
93.575			3570	38,199,133	9,214,902	
93.575		WSU002129	3650	66,961	0	PT
93.575		WSU002144	3650	63,570	0	PT
93.575		WSU002145	3650	33,699	0	PT
	Federal Program 93.575 Total			**117,371,372**	**9,214,902**	
93.596	Child Care Mandatory and Matching Funds of the Chi		3000	23,079	0	
93.596			3570	78,881,244	78,168,916	
	Federal Program 93.596 Total			**78,904,323**	**78,168,916**	
	Dept of Health & Human Services Total			**196,275,695**	**87,383,818**	
CCDF Total				**196,275,695**	**87,383,818**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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
93.775	State Medicaid Fraud Control Units		1000	2,502,079	0	
	Federal Program 93.775 Total			**2,502,079**	**0**	
93.777	State Survey and Certification of Health Care Prov		3000	8,492,499	0	
93.777			3030	1,857,923	0	
	Federal Program 93.777 Total			**10,350,422**	**0**	
93.778	Medical Assistance Program		1070	2,479,727,929	23,004,914	
93.778			3000	1,675,409,137	29,645,139	
93.778			3050	5,030,918	0	
93.778			3570	540,548	0	
93.778		1265-62496 TO#CA	3600	127,111	0	PT
93.778		K590 AM01	3600	87,693	0	PT
	Federal Program 93.778 Total			**4,160,923,336**	**52,650,053**	
93.778A	ARRA - Medical Assistance Program		1070	69,781,670	0	
93.778A			3000	(668,505)	0	
	Federal Program 93.778A Total			**69,113,165**	**0**	
	Dept of Health & Human Services Total			**4,242,889,002**	**52,650,053**	

Medicaid Total **4,242,889,002** **52,650,053**

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

State of Washington
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Forest Service 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	Schools and Roads - Grants to States		0050	20,094,768	0	
10.665			3650	69,614	0	
10.665			4900	1,280	0	
	Federal Program 10.665 Total			**20,165,662**	**0**	
	Dept of Agriculture Total			**20,165,662**	**0**	
Forest Service Schools and Roads Total				**20,165,662**	**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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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	46,732,310	0	
	Federal Program 96.001 Total			**46,732,310**	**0**	
	Social Security Administration Total			**46,732,310**	**0**	
Disability Insurance/SSI Total				**46,732,310**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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		0100	18,282,056	0	
20.205		27146 AM03	3600	51,522	0	PT
20.205		12-046	3700	2,886	0	PT
20.205			4050	811,070,655	196,120,127	
	Federal Program 20.205 Total			**829,407,119**	**196,120,127**	
20.205A	ARRA - Highway Planning & Constructn		4050	966,766	10,476	
	Federal Program 20.205A Total			**966,766**	**10,476**	
20.219	Recreational Trails Program		4670	1,433,768	1,079,611	
	Federal Program 20.219 Total			**1,433,768**	**1,079,611**	
	Dept of Transportation Total			**831,807,653**	**197,210,214**	
Highway Planning and Construction Total				**831,807,653**	**197,210,214**	

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		3600	64,676	0	
11.307			6990	40,552	0	
11.307		07-79-06777	6990	9,763	0	PT
	Federal Program 11.307 Total			**114,991**	**0**	
	Dept of Commerce Total			**114,991**	**0**	
Economic Development Total				**114,991**	**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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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	3,108,773	2,867,354	
20.513		GCA6848	4050	3,629	0	PT
20.513		UC05338	4050	959	0	PT
	Federal Program 20.513 Total			**3,113,361**	**2,867,354**	
20.516	Job Access Reverse Commute		4050	3,505,788	3,122,312	
	Federal Program 20.516 Total			**3,505,788**	**3,122,312**	
20.521	New Freedom Program		4050	2,839,667	2,664,935	
	Federal Program 20.521 Total			**2,839,667**	**2,664,935**	
	Dept of Transportation Total			**9,458,816**	**8,654,601**	
Transit Services Programs Total				**9,458,816**	**8,654,601**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	15,266,352	17,627,042	
	Federal Program 14.228 Total			**15,266,352**	**17,627,042**	
	Housing & Urban Development Total			**15,266,352**	**17,627,042**	
CDBG - State Administered CDBG Total				**15,266,352**	**17,627,042**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	214,092,086	208,030,754	
	Federal Program 84.010 Total			**214,092,086**	**208,030,754**	
84.389	ARRA - Title I Grants to Local Educl Age		3500	156,768	143,826	
	Federal Program 84.389 Total			**156,768**	**143,826**	
	Dept of Education Total			**214,248,854**	**208,174,580**	
Title I, Part A Total				**214,248,854**	**208,174,580**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	276,562,148	0	
93.558		7461	5400	(1,969)	0	PT
	Federal Program 93.558 Total			**276,560,179**	**0**	
	Dept of Health & Human Services Total			**276,560,179**	**0**	
TANF Total				**276,560,179**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	106,135	93,572	
	Federal Program 84.318 Total			**106,135**	**93,572**	
84.386	ARRA - Education Technology State Grants		3500	55,785	55,785	
	Federal Program 84.386 Total			**55,785**	**55,785**	
	Dept of Education Total			**161,920**	**149,357**	
Educational Technology State Grants Total				**161,920**	**149,357**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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Teacher Quality Partnership 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	116,360	0	PT
	Federal Program 84.405 Total			**116,360**	**0**	
	Dept of Education Total			**116,360**	**0**	
Teacher Quality Partnership Grants Total				**116,360**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	1,740,058	0	
	Federal Program 84.372 Total			**1,740,058**	**0**	
84.384	ARRA - Statewide Data Systems, Recovery Act		3500	7,945,966	0	
	Federal Program 84.384 Total			**7,945,966**	**0**	
	Dept of Education Total			**9,686,024**	**0**	
Statewide Data Systems Total				**9,686,024**	**0**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	9,673,427	8,974,338	
	Federal Program 84.377 Total			**9,673,427**	**8,974,338**	
84.388	ARRA - School Improve Grants, Recovery Act		3500	10,064,433	9,277,241	
	Federal Program 84.388 Total			**10,064,433**	**9,277,241**	
	Dept of Education Total			**19,737,860**	**18,251,579**	
School Improvement Grants Total				**19,737,860**	**18,251,579**	

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

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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	5,034,648	3,344,037	
	Federal Program 16.738 Total			**5,034,648**	**3,344,037**	
16.803A	ARRA - Edwd Byrne Memorial JAG Prog States		1030	50,895	50,895	
	Federal Program 16.803A Total			**50,895**	**50,895**	
	Dept of Justice Total			**5,085,543**	**3,394,932**	
JAG Program Total				**5,085,543**	**3,394,932**	

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, 2013
(Expressed in whole dollars)

Health Centers

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
93.224	Consolidated Health Centers	CHS2458	3600	28,859	0	PT
93.224		CHS2923	3600	27,564	0	PT
	Federal Program 93.224 Total			**56,423**	**0**	
	Dept of Health & Human Services Total			**56,423**	**0**	
Health Centers Total				**56,423**	**0**	

Total Federal Assistance	**14,892,685,569**	**1,861,493,583**

Footnotes:
NC - Expenditure amount noncash in nature
PT - Expenditure, Pass-through in nature (federal funds received through another nonfederal entity).
OL - Loan Amount (outstanding loan amounts to date).

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 2013). 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
  Centers for Independent Living
  Teacher Incentive Fund
  CDFI
  Water and Waste Program
  Community Facilities Loans and Grants
  HOPE VI

Note B2: Reporting Entity - The State reporting entity is fully described in Note 1A to the State's financial statements. The Schedule includes all federal assistance programs administered by the State during fiscal year ending June 30, 2013.

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 to 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 $1,118,849 was recovered for state central service costs during fiscal year ending June 30, 2013.

- Matching Costs - The Schedule does not include matching expenditures with the exception specified in Note C to the Schedule.

- 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 23.4% 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.

- Pass-Through Federal Assistance (State as Subrecipient included on the Schedule) - 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. Additional detail related to this type of pass through assistance is provided in Note F to the Schedule.

- Pass-Through Federal Assistance (State as Subrecipient not included on the Schedule) – The State is a direct recipient of U.S. Department of Labor Workforce Investment Act (WIA) funds. These funds are reported on the Schedule. A large portion of these funds are passed through to non-state entities that, in certain instances, subaward the same funds back to the State. The dollar amount of these subawards, while included in the scope of the Single Audit, are not reported by the State on the Schedule since they are already part of the amount reported as direct assistance. Additional detail related to this type of pass through assistance is provided in Note G to the Schedule.

- Endowment, Loan and Loan Guarantee Programs - Additional information on federal endowment, federal loan, and federal loan guarantee programs is included in Note H to the Schedule. Amounts in Note H included in the Schedule of Expenditures of Federal Awards are indicated with an (**s**).

- 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, 2013:

  10.557 - Special Supplemental Nutrition Program for WIC..... $31,231,111
  (Infant formula rebates provided by private companies)

  93.917 - HIV Care..... $3,797,936
  (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, 2013:

  20.205 Debt service costs for Referendum 49 bonds..... $6,632,322

  20.205 Debt service costs for Grant Anticipation Revenue Vehicles (GARVEE) bonds…… $18,282,056

- 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: **Unemployment Insurance (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, 2013 include:

State of Washington/Employer Funded.....	$1,133,743,755
Federal Funds	
ARRA……...	17,615
Non-ARRA……...	985,197,682
Total	$2,118,959,052

Note D: **Non-monetary Assistance Inventory**

As described previously in Note B3, non-monetary assistance is reported in the Schedule. As of June 30, 2013, the state held the following inventories of non-monetary assistance:

Food Commodities (10.565).....	$6,289,480

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 federal assistance received from a nonfederal entity external to the State).

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	ASSOCIATION OF CHILDREN'S MUSEUMS	IMLS# LG-64-12-0655-12	35,450
05.025	3600	WESTERN STATES ARTS FEDERATION	TW20120128	2,500
05.025	3600	WESTERN STATES ARTS FEDERATION	TW20120138	2,500
06.129	3650	HUMANITIES WA	4582GF12	6,584
06.129	3700	HumWA-Get Lit! 2013	4574-GF12	7,500
07.000	0800	Northwest High Intensity Drug Trafficking Area	9003000004	45,000
10.000	3600	CORRIM	NO. 310 AM05	126,829
10.000	3600	CORRIM	SUBCONTRACT 910	4,507
10.000	3600	CORRIM	SUBCONTRACT NO. 810	1,161
10.000	3600	FORTERRA	UW BUD# 638421	-553
10.000	3650	CALIFORNIA GRAPE	201125	35,760
10.000	3650	COTTON INC	WSU002142	109,436
10.000	3650	MS ST UNIV	1.80003E+12	11,597
10.000	3650	PA ST UNIV FED	3310WSUNASULGC0114	10,638
10.000	3650	UNIV OF CA DAVIS	201120630WAS16	35,418
10.000	3650	UNIV OF CA DAVIS	201120630WAS17	12,000
10.000	3650	USDA-MISC	WSU002127	93,895
10.001	3650	UNIV OF CA DAVIS	201118169-02	17,873
10.001	3650	UNIV OF ID FED	BJKH65SB001	24,375
10.168	3650	WA ST FMRS MKT	WSFMAWSUFMPP	11,795
10.170	3700	WSHA-Tree Fruit	N/A	8,143
10.200	3650	CO ST UNIV	AFE742346	1,090
10.200	3650	OR ST UNIV FED	C0396AE	-207
10.200	3650	OR ST UNIV FED	C0417AE	15,023
10.200	3650	OR ST UNIV FED	C0427AA	-724
10.200	3650	UNIV OF CA DAVIS	201117720	54,952
10.200	3650	UNIV OF CA DAVIS	201117720WSU1	18,002
10.200	3650	UNIV OF CA DAVIS	201117720WSU3	-5

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.200	3650	UNIV OF CA DAVIS	201117720WSU4ECS	3,938
10.200	3650	UNIV OF CA DAVIS	20122337205	43,098
10.200	3650	UNIV OF CA DAVIS	20122337209WSUCHAST	9,630
10.200	3650	UNIV OF CA DAVIS	20122337215WSUTMILL	3,549
10.200	3650	UNIV OF CA DAVIS	20122337218WSU	68,287
10.200	3650	UNIV OF CA DAVIS	SA7653	152
10.200	3650	UNIV OF ID FED	BAK306SB002	7,515
10.200	3650	UNIV OF ID FED	BAK465SB001	-2,360
10.200	3650	UNIV OF ID FED	BAK466SB001	9,275
10.200	3650	UNIV OF ID FED	GPK584SB001	66,797
10.206	3600	UNIVERSITY OF CONNECTICUT	PSA #23478 AM01	16,484
10.206	3650	UNIV OF KS FED	S10200	21,009
10.206	3650	VA TECH UNIV	42204819276	14,135
10.212	3650	MULTIFORM HARV	WSU002491	7,303
10.212	3650	TROUTLODGE INC	117818	17,509
10.215	3650	UT ST UNIV	100893004	67,717
10.215	3650	UT ST UNIV	110892004	54,196
10.215	3650	UT ST UNIV	110892012	6,401
10.215	3650	UT ST UNIV	12083302	13,481
10.215	3650	UT ST UNIV	80861009	15,482
10.215	3650	UT ST UNIV	80861059	17,292
10.215	3650	UT ST UNIV	90758003	8,981
10.215	3650	UT ST UNIV	90758039	2,991
10.219	3750	University of Georgia	RR167/551/4787396	34,694
10.225	3600	SOLID GROUND WASHINGTON	UW BUD# 639704	5,958
10.227	3650	NW INDIAN COLL	WSU002241	20,696
10.227	3650	NW INDIAN COLL	WSU002537	5,456
10.250	3650	CA DEPT OF FOOD	110489SF	29,330

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.303	3650	MI ST UNIV	RC100946WSU	112,117
10.303	3650	NORTH DAKOTA ST	FAR0021477	47,510
10.303	3650	UNIV OF CA DAVIS	20112630WAS18	19,369
10.303	3650	UNIV OF CA DAVIS	SA7746	17,370
10.303	3650	UNIV OF ID FED	BJKH03SB001	49,195
10.303	3650	UNIV OF ID FED	BJKH03SB002	4,541
10.303	3650	UNIV OF ID FED	BJKH15SB001	48,364
10.303	3650	UNIV OF ID FED	BJKH15SB002	100,527
10.304	3650	UNIV OF CA FED	20122390204	38,725
10.305	3650	NC ST UNIV	2008120601	21,268
10.307	3650	OR ST UNIV FED	C0440AA	25,181
10.309	3650	CARNEGIE MELLON	1.0802E+12	55,235
10.309	3650	CITRUS RES & DEV	13014NU793	29,136
10.309	3650	MI ST UNIV	614296A	519,457
10.309	3650	MI ST UNIV	RC100858B	329,321
10.309	3650	MI ST UNIV	RC100888WSU	9,994
10.309	3650	NC ST UNIV	2010136502	163,790
10.309	3650	NC ST UNIV	2012178503	17,956
10.309	3650	OR ST UNIV FED	C0423BA	204,749
10.309	3650	PA ST UNIV	3826WSUUSDA9561	15,301
10.309	3650	RUTGERS ST UNIV	3651	4,913
10.309	3650	UNIV OF CA DAVIS	20101294201	577
10.309	3650	UNIV OF CA DAVIS	20101304802	239,147
10.309	3650	UNIV OF CA-BERKELEY FED FLOW	6986	149,385
10.309	3650	UNIV OF WI MAD	350K873	96,424
10.309	3650	UNIV OF WI MAD	428K072	7,410
10.309	3650	VASSAR COLLEGE	NSF0761	46,444
10.310	3600	BOSTON UNIVERSITY	4500001195PRM011670032	70,943

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.310	3600	OREGON STATE UNIVERSITY	C0435ABPRIME2011670033	1,010
10.310	3600	UNIVERSITY OF CONNECTICUT	KFS#5259950 PO#11522	36,782
10.310	3650	BAYLOR COLLEGE	101474002	196,387
10.310	3650	BROAD INSTITUTE	5.03008E+16	3,189
10.310	3650	MI ST UNIV	RC101749WSU	9,027
10.310	3650	OR ST UNIV FED	C0414CB	20,060
10.310	3650	TX A&M RSCH FNDN	S110072	523,348
10.310	3650	UNIV OF ALABAMA	SUB2011128	73,629
10.310	3650	UNIV OF CA DAVIS	20101571807	312,501
10.310	3650	UNIV OF CA DAVIS	20101573903	216,344
10.310	3650	UNIV OF CA DAVIS	20122309005	745
10.310	3650	UNIV OF GA	RC2933654693938	17,858
10.310	3650	UNIV OF ID FED	BJKH55SB001	-12
10.310	3650	UNIV OF ID FED	BJKL03SB002	1,332,556
10.310	3650	UNIV OF MN	H002413501	11,870
10.310	3650	UNIV OF NE FED	2.56321E+12	112,017
10.310	3650	UNIV OF OR FED	238391A	5,966
10.310	3650	UNIV OF WI MAD	223K974	4,842
10.310	3650	UNIVERSITY OF MS	C000315874	15,734
10.312	3650	UNIV OF HI RES	MA120037	94,040
10.312	3650	VELOCYS INC	303742	-1,299
10.315	3650	UNIV OF MN	H001344204	360,483
10.315	3650	UNIV OF MN	H001344218	-4
10.320	3650	OR ST UNIV FED	C0432GB	109,828
10.500	3650	CORNELL UNIV	548748872	-1
10.500	3650	KS ST UNIV	S12003	16,479
10.500	3650	KS ST UNIV	S12063	16,147
10.500	3650	KS ST UNIV	S12099	8,283

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
10.500	3650	KS ST UNIV	S12213	17,368
10.500	3650	KS ST UNIV	S13045	66,675
10.500	3650	KS ST UNIV	S13055	16,254
10.500	3650	NM ST UNIV	Q01465	15,724
10.500	3650	PURDUE UNIV	8000020482AG	2,968
10.500	3650	PURDUE UNIV	8000041656	69,056
10.500	3650	PURDUE UNIV	8000047645	202,716
10.500	3650	UNIV OF CA DAVIS	201120392WSU	806,828
10.500	3650	UNIV OF MASS	12006968B00	24,506
10.500	3650	UNIV OF WY	UTSTUNV46467WA2	317
10.500	3650	UT ST UNIV	80827002	-209
10.574	3750	University of Southern Mississippi	USM-GR03970-001	79,547
10.912	3650	NAT'L FISH & WILDL	20080116039	-72
10.912	3650	THE NATURE CON	WAFO261060910	14,451
10.912	3650	THE NATURE CON	WAS110428135	31,693
10.961	3650	PURDUE UNIV	800051140	8,701
11.000	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA #13-12	13,000
11.000	3600	OSCILLA POWER, INC.	UW BUD# 664480	86,300
11.000	3600	PACIFIC SHELLFISH INST	AM01	501
11.000	3600	PACIFIC SHELLFISH INST	NMFSFHQ20092001464AM02	2,755
11.000	3600	PACIFIC ST MARINE FISHERIES COMM	11-03 AM01	1,290
11.000	3600	PACIFIC ST MARINE FISHERIES COMM	12-64	12,748
11.000	3600	PACIFIC STATES MARINE FISHERIES COM.	12-38 AM01	11,823
11.000	3600	PACIFIC STATES MARINE FISHERIES COM.	12-39AM01	8,169
11.000	3600	PARAMETRIX	553-3975-0XX AM03	7,779
11.000	3600	UNIV OF ALASKA FAIRBANKS	UAF-10-0028 MOD.3	9,577
11.000	3650	PORTLAND DEV	212111	18,949
11.000	4770	North Pacific Fishery Mgmt Council	2011-3	33,159

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
11.000	4770	Oregon Dept of Fish & Wildlife	334-12	22,761
11.000	4770	Pacific States Marine Fisheries Commission	12-42	229,795
11.000	4770	Pacific States Marine Fisheries Commission	12-57	34,957
11.000	4770	Pacific States Marine Fisheries Commission	13-03	62,905
11.000	4770	Pacific States Marine Fisheries Commission	13-65	24,693
11.000	4770	Pacific States Marine Fisheries Commission	13-66	12,810
11.000	4770	Pacific States Marine Fisheries Commission	13-71	5,419
11.000	4770	Pacific States Marine Fisheries Commission	13-72	5,648
11.000	4770	Pacific States Marine Fisheries Commission	13-73	19,762
11.302	3750	Kittitas County Chamber of Commerce	Subaward Agreement	6,500
11.307	6990	Dept. of Commerce	07-79-06777	9,763
11.417	3600	CALIFORNIA SEA GRANT COLLEGE PROGRAM	R/CONT-217PD	-768
11.417	3600	CALIFORNIA SEA GRANT COLLEGE PROGRAM	R/CONT-222PD	2,871
11.417	3600	OREGON STATE UNIVERSITY	NA2233-B AM03	54,098
11.417	3600	UNIV OF CA SAN DIEGO	RFISH208MODSUB10305312	64,608
11.417	3600	UNIVERSITY OF RHODE ISLAND	1003120003054PO49401	41,128
11.427	3600	PACIFIC SHELLFISH INST	AM02	34,734
11.427	3600	PACIFIC SHELLFISH INSTITUTE	PRIME#NA09NMF4270092	5,787
11.431	3600	OREGON STATE UNIVERSITY	NA226B-D AM02	62,579
11.432	3600	UNIV OF MICHIGAN	PO#3001446790 AM02	9,753
11.432	3600	UNIVERSITY OF HAWAII	Z972055 AM01	10,262
11.436	4770	Pacific States Marine Fisheries Commission	11-16	160,604
11.437	4770	Pacific States Marine Fisheries Commission	11-112	118,783
11.437	4770	Pacific States Marine Fisheries Commission	12-103	407,394
11.437	4770	Pacific States Marine Fisheries Commission	12-105	26,186
11.437	4770	Pacific States Marine Fisheries Commission	12-41	93,439
11.437	4770	Pacific States Marine Fisheries Commission	12-59	116,656
11.437	4770	Pacific States Marine Fisheries Commission	12-75	4,095

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
11.437	4770	Pacific States Marine Fisheries Commission	12-82	178,099
11.437	4770	Pacific States Marine Fisheries Commission	13-24	158,223
11.437	4770	Pacific States Marine Fisheries Commission	13-27	125,030
11.437	4770	Pacific States Marine Fisheries Commission	13-30	20,174
11.437	4770	Pacific States Marine Fisheries Commission	13-91	89,262
11.438	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP 10-029	-157
11.438	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP 11012	177,424
11.438	3600	ALASKA DEPARTMENT OF FISH AND GAME	COOP-11-031 REV01	18,912
11.438	3600	ALASKA DEPT OF FISH AND GAME	44714	19,599
11.439	4770	Pacific States Marine Fisheries Commission	12-62	34,027
11.439	4770	Pacific States Marine Fisheries Commission	13-25	105,863
11.440	3600	THE OPEN SOUCRCE PROJECT-NDAP	UW BUD# 663275	15,349
11.441	4770	Pacific Fishery Mgmt Council	06-12	38,036
11.441	4770	Pacific Fishery Mgmt Council	06-13	47,063
11.463	3600	SEA CONSULTING GROUP	UW BUD# 664759	12,246
11.463	3800	Restore America's Estuaries	RYBCZK	2,456
11.467	3600	UCAR	Z10-81101, MOD02	-21
11.469	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA #11-28	-37
11.472	3600	NORTH PACIFIC RESEARCH BOARD	#1006	98,555
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1009	43,442
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1103	43,147
11.472	3600	NORTH PACIFIC RESEARCH BOARD	1207	36,237
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 59 AM02	147
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 70 AM03	50,019
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 71 AM03	26,862
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B 73 AM02	99,485
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B61 AM01	12,286
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B62 AM02	1,944

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
11.472	3600	NORTH PACIFIC RESEARCH BOARD	B69 AM01	4,246
11.472	3600	NORTH PACIFIC RESEARCH BOARD	F2852-03	-78
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G82	60,332
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G82/F5182-01	7,841
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G83	93,963
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G83/F5183-01	178,168
11.472	3600	NORTH PACIFIC RESEARCH BOARD	G84/F5184-01	78,736
11.472	3600	PRINCE WILLIAM SOUND SCIENCE CENTER	12-85-10 AM01	72,604
11.472	3800	N. Pacific Research Board	G83/F5183-04	142,673
11.472	4770	Oregon Dept of Fish & Wildlife	020-10258-ISA-FISH	204,831
11.472	4770	Oregon Dept of Fish & Wildlife	020-10259-ISA-FISH	255,911
11.557	3600	EDLAB GROUP	53-42-B10585	104,921
11.609	3650	UNIV OF CA SAN DI	10305702	27,747
11.999	4770	Columbia Basin Fish & Wildlife Foundation	None	17,229
12.000	3600	ADVANCED TECHNOLOGY INSTITUTE (ATI)	N000014-09-D-0584	3,243
12.000	3600	AEROVEL CORPORATION	A66831	53,558
12.000	3600	AEROVEL CORPORATION	A69823	69,508
12.000	3600	APPLIED PHYSICAL SCIENCES CORP	APS-11-12 MOD14	449,692
12.000	3600	BAE SYSTEMS	744450 MOD07	40,146
12.000	3600	BAE SYSTEMS	809864 MOD01	107,049
12.000	3600	BAE SYSTEMS	832705-1	70,648
12.000	3600	BBN TECHNOLOGIES CORP.	9500009783 MOD13	398,680
12.000	3600	CARNEGIE MELLON UNIV	1011078-259568 AM07	63,158
12.000	3600	CH2M HILL , INC. A/P	PO 950620	46,632
12.000	3600	CHARLES RIVER ANALYTICS INC.	SC1012001 MOD01	19,764
12.000	3600	CLINICAL RESEARCH FOUNDATION, INC.	UW BUD# 665286	18,169
12.000	3600	CRAIG HOSP	GRANT PT100068	69,735
12.000	3600	CREARE INC.	PO #69652	1,374

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.000	3600	DIAPEDIA, LLC	AM01	8,946
12.000	3600	DUKE UNIVERSITY	UW BUD# 637561	2,459
12.000	3600	ERC, INC.	RS120383MOD2	40,445
12.000	3600	EXCET, INC.	PO #2273	67,432
12.000	3600	EXPONENT	S95-0079 AM03	29,122
12.000	3600	HDR ENVIRONMENTAL, OPS, AND CONSTRUCTION	0000105660	-23
12.000	3600	HDR ENVIRONMENTAL, OPS, AND CONSTRUCTION	0000120090	7,854
12.000	3600	HDR ENVIRONMENTAL, OPS, AND CONSTRUCTION	MSACON0054394059MOD01	162,266
12.000	3600	HENRY M. JACKSON FOUNDATION	754344	1,475
12.000	3600	HENRY M. JACKSON FOUNDATION	757916	33,447
12.000	3600	HSTAR TECHNOLOGIES CORP.	UW BUD# 638300	10,023
12.000	3600	IMPACT COMPUTING CORPORATION	UW BUD# 664477	124,285
12.000	3600	IPITEK	AMENDMENT NO.6	-5,148
12.000	3600	JOHNS HOPKINS UNIVERSITY	PO#2000859125 MOD02	53,178
12.000	3600	JOHNS HOPKINS UNIVERSITY	PO#2000859125 MOD03	80,475
12.000	3600	JP INNOVATIONS, INC.	041301	-46,360
12.000	3600	LATTICE GOVERNMENT SERVICES	SBIR01UOW2012060601	14,211
12.000	3600	LOCKHEED MARTIN CORPORATION	PO#4100466305 AM03	72,269
12.000	3600	MANDEX, INC.	PO# 28300	85
12.000	3600	MANDEX, INC.	PO# 28458	28,407
12.000	3600	MANDEX, INC.	PO# 28600	264
12.000	3600	MIT LINCOLN LABORATORY	7000087866700002970 1CO	35,487
12.000	3600	MOBILISA, INC.	UW BUD# 634021	-1
12.000	3600	MOBILISA, INC.	UW BUD# 634257	-19
12.000	3600	MSNW LLC	UW BUD# 665387	34,086
12.000	3600	NATIONAL MARINE MAMMAL FOUNDATION	N-00014-11-1-0436-001	13,814

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12.000	3600	OREGON STATE UNIVERSITY	RM102A-B AM02	49,502
12.000	3600	ORISE	UW BUD# 622009	68,528
12.000	3600	PROFUSA, INC.	STTR AGREEMENT	58,950
12.000	3600	RAYTHEON BBN	BBNPO9500011256MOD01	212,408
12.000	3600	SARCOMA ALLIANCE FOR RESEARCH THROUGH COLLABORATION (SARC)	UW BUD# 638538	427
12.000	3600	SEALASKA ENVIRONMENTAL SERVICES, LLC HQ	UW BUD# 666332	19,348
12.000	3600	SIBCR	KG112GEORGESJISIBCR	4,784
12.000	3600	SRI INTERNATIONAL, INC.	#27-001389	53,862
12.000	3600	SRI INTERNATIONAL, INC.	#27-001389 MOD04	192,834
12.000	3600	SRI INTERNATIONAL, INC.	#27-001389 MOD05	85,078
12.000	3600	SRI INTERNATIONAL, INC.	19-000234	20,242
12.000	3600	SRI INTERNATIONAL, INC.	27-001340 MOD08	246,617
12.000	3600	SRI INTERNATIONAL, INC.	27-001341 MOD07	-93
12.000	3600	SRI INTERNATIONAL, INC.	69-000535 MOD2	158,711
12.000	3600	SRI INTERNATIONAL, INC.	69-000535 MOD4	242,228
12.000	3600	STANFORD UNIVERSITY	29030420-50473-B	99,744
12.000	3600	SYSTIMA TECHNOLOGIES, INC.	A73523 PO# 37591	14,379
12.000	3600	TELEDYNE BROWN ENGINEERING INC	955492 MOD06	-520
12.000	3600	TIERRA DATA INC.	AM02	4,267
12.000	3600	UNIV OF CALIFORNIA, SAN DIEGO	PO #10291495-007	327,048
12.000	3600	UNIV OF CALIFORNIA, SAN DIEGO	PO# 10313249-002	702,022
12.000	3600	UNIVERSAL TECHNOLOGY CORP	12-S587-116-01-C1	78,425
12.000	3600	UNIVERSIDAD CATOLICA DE CHILE	UW BUD# 663906	26,759
12.000	3600	UNIVERSITY OF MICHIGAN	3002148124	74,296
12.000	3600	UNIVERSITY OF MICHIGAN	3002531628	67,714
12.000	3600	UNIVERSITY OF VICTORIA	02454	-1,043
12.000	3600	WEIZMANN INSTITUTE OF SCIENCE	HDTRA1-11-C-0026 AM03	46,420

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.000	3600	WEIZMANN INSTITUTE OF SCIENCE	HDTRA1-11-C-0026 AM04	276,818
12.000	3650	ACADEMY OF APP	1232	2,625
12.000	3650	ACADEMY OF APP	1345	180
12.000	3650	BAE SYSTEMS	739623	-3,350
12.000	3650	BINGHAMTON UNIV	54680	149,003
12.000	3650	CENTER FOR NAT	WAC20120220	5,601
12.000	3650	CH2M HILL INC"	950621	25,482
12.000	3650	HARVARD UNIV	1.31699E+12	133,995
12.000	3650	JOHNS HOPKINS	2001520332	144,237
12.000	3650	PULSAR INFO	WSU002	87,915
12.000	3650	PULSAR INFO	WSU003	14,894
12.000	3650	PULSAR INFO	WSU005	88,598
12.000	3650	PULSAR INFO	WSU007	6,390
12.000	3650	SCIENCE APPLIC	P010058810	-32,796
12.000	3650	UNIFORMED UNIV	HT9404121TS07	8,488
12.000	4770	Pacific States Marine Fisheries Commission	12-85	6,444
12.000	4770	Pacific States Marine Fisheries Commission	12-86	6,764
12.000	4770	Pacific States Marine Fisheries Commission	12-87	24,115
12.000A	3600	CDM FEDERAL PROGRAMS CORPORATION	6407-001-001-CS-S	12,346
12.300	3600	CARNEGIE MELLON UNIV	1141207-236198 AM08	184,921
12.300	3600	CARNEGIE MELLON UNIV	1141221-293180 AM01	30,810
12.300	3600	COLUMBIA UNIVERSITY	2GG007783PRFA875122034	37,912
12.300	3600	IOWA STATE UNIV	421-23-01-AM05	3,843
12.300	3600	MASSACHUSETTS INST TECHNOLOGY/MIT	5710002230 MOD012	13,620
12.300	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	1010542 AM02	58,681
12.300	3600	MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	1010542 AM03	82,486
12.300	3600	SIMPSON WEATHER ASSOCIATES, INC.	N000141110450UWAMOD03	48,344

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.300	3600	THE UNIVERSITY OF TEXAS AT SAN ANTONIO	26-0201-15 UOW AM01	174
12.300	3600	THE UNIVERSITY OF TEXAS AT SAN ANTONIO	26-0201-15 UOW AM02	11,584
12.300	3600	UNIV OF MIAMI	66654TAM01	73,632
12.300	3600	UNIV OF MICHIGAN	3002336447 AM14	5,888
12.300	3600	UNIVERSITY OF ALASKA FAIRBANKS	UAF 08-0047MOD06	3,290
12.300	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2008-2038 AM07	5,761
12.300	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	10276960-MOD11	103,789
12.300	3600	UNIVERSITY OF VIRGINIA	GG11431-138081 AM02	75,515
12.300	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A101011	24,173
12.300	3650	MASS INST OF TECH	5710002043	-23
12.300	3650	UNIV OF ID	KKK696SB001	7,547
12.300	3650	UNIV OF S CA	PO10060234	123,804
12.351	3600	STANFORD UNIVERSITY	28545260-52123-A	21,257
12.351	3600	STANFORD UNIVERSITY	28545260-52123-A AM01	192,732
12.351	3600	THE UNIVERSITY OF TEXAS AT AUSTIN	UTA11-000762	5,405
12.351	3600	THE UNIVERSITY OF TEXAS AT AUSTIN	UTA11-000762 AM01	85,355
12.400	3600	HENRY M. JACKSON FOUNDATION	2022 MOD03/PO#669610	188,979
12.420	3600	AMERICAN BURN ASSOCIATION	ABAUNDERPRIMEW81XWH092	71,251
12.420	3600	CEDARS-SINAI MED CTR	PO#0000851890	40,272
12.420	3600	CEDARS-SINAI RESEARCH INSTITUTE	W81XWH-10-1-1039	10,638
12.420	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10274SUB	28,694
12.420	3600	FHCRC	0000697387 AM03	45,612
12.420	3600	HENRY M. JACKSON FOUNDATION	671800 MOD03	294,897
12.420	3600	HENRY M. JACKSON FOUNDATION	PO669701AGR2076MOD03	48,094
12.420	3600	HENRY M. JACKSON FOUNDATION	PO713003AGR2252MOD02	95,111
12.420	3600	JOHNS HOPKINS UNIV	PO # 2001589471	20,888
12.420	3600	MICRONICS, INC.	MIC.UW01.0911	158,107
12.420	3600	SIBCR	JPAPORM160OCONNJ2SIBCR	43,087

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12.420	3600	SIBCR	KG112GEORGESJ2SIBCR	35,945
12.420	3600	SIBCR	KG112SRISUB4SIBCR	24,234
12.420	3600	SIBCR	WC19-SIKKEC-2-SIBCR	20,844
12.420	3600	THE CATHOLIC UNIVERSITY OF AMERICA	364271-SUB 2 A3	290,728
12.420	3600	TUFTS UNIVERSITY	ARM333 AM01	230,513
12.420	3600	UNIVERSITY OF CALIFORNIA	6749SC AM01	28,410
12.420	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	10313538-001	1,455
12.420	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	10313538-002	3,533
12.420	3600	UNIVERSITY OF MINNESOTA	R01477 AM02	274,083
12.420	3650	GENEVA FOUNDA	S119001	898
12.431	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	28D 1083900 MOD07	17,113
12.431	3600	COLORADO STATE UNIVERSITY	G-2308-1 AM06	747,696
12.431	3600	DUKE UNIVERSITY	11-IARPA-1009 MOD02	67,777
12.431	3600	DUKE UNIVERSITY	11-IARPA-1009 MOD03	424,807
12.431	3600	UNIVERSITY OF MARYLAND, COLLEGE PARK	Z848401	81,227
12.431	3600	UNIVERSITY OF MARYLAND, COLLEGE PARK	Z848401 AM I	248,603
12.431	3600	YALE UNIVERSITY	C13J11497 (J00210)	40,291
12.431	3600	YALE UNIVERSITY	C13J11497J00210AM01	8,363
12.431	3650	ORG ECONOMIC IN	ARL10NWMIWSU120610	78,662
12.630	3600	BOSTON UNIVERSITY	4500000027 AM06	1,477
12.800	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	7H-1090612 AM02	588,541
12.800	3600	COLUMBIA UNIVERSITY	2 (ACCT. #5-22395)	121,883
12.800	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RB250-G3 AM07	413,850
12.800	3600	OMEGA OPTICS, INC.	1-1201	20,000
12.800	3600	SOLUXRA, INC.	UW BUD# 666467	40,000
12.800	3600	SYSTIMA TECHNOLOGIES, INC.	36071	32,735
12.800	3600	TECH-X CORPORATION	A70702	30,175
12.800	3600	UNIVERSITY OF NEVADA, LAS VEGAS	11-708B-00 AM02	182,425

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
12.800	3600	UNIVERSITY OF NOTRE DAME	UND-201563 AM05	113,160
12.910	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000736836	23,635
12.910	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RA231G2W31P4Q0910012AM	430,491
12.910	3600	MASSACHUSETTS GENERAL HOSPITAL	220587	45,734
12.910	3600	SPI SURGICAL	A65164	28,079
12.910	3600	STANFORD UNIVERSITY	25969810-50204-A	-743
12.910	3600	STANFORD UNIVERSITY	25969810-50204-A AM03	15,028
12.910	3600	SYSTIMA TECHNOLOGIES, INC.	PO# 37591	-6,046
12.910	3600	TEMPLE UNIVERSITY	251658	100,574
12.910	3600	UNIVERSITY OF PENNSYLVANIA	554995 AM01	147,977
14.000	3600	BREMERTON HOUSING AUTHORITY	RED092008-02	86,097
14.000	3650	THURSTON REGION	WSU002082	7,410
14.239	1480	ARCH Cities	HKPA FY 2013	8,000
14.239	1480	City of Seattle	HKPS FY 2013	350,667
14.239	1480	King County	HKPA FY 2013	10,000
14.323	1480	Neighborworks	EHLP Grant FY 2013	7,498
14.703	3600	PUGET SOUND REGIONAL COUNCIL	2012-08 AM01	30,928
14.704	3600	CITY OF SEATTLE	UW BUD# 663992	86,111
15.000	3600	BAKERAECOM, LLC	UWA-PTS-002	8,551
15.000	3600	CENTER FOR PLANT CONSERVATION	UW BUD# 661026	629
15.000	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RC051-S3 AM03	55,284
15.000	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RC051-S3 AM07	234,550
15.000	3600	INDUSTRIAL ECONOMICS, INC.	1010-840 UW	24,867
15.000	3600	INDUSTRIAL ECONOMICS, INC.	1018028UWTOF13PB00153	20,371
15.000	3600	NORTH SLOPE BOROUGH	UW BUD# 666836	59,894
15.000	4770	Wildlife Management Institure	98210-8-J105	20,841
15.036	3600	POINT NO POINT TREATY COUNCIL	UW BUD# 666889	2,410
15.231	3600	NATIONAL FISH & WILDLIFE FOUNDATION	1601.12.033958	23,826

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15.423	3650	OR ST UNIV FED	DI068AA	707
15.605	3650	OR DEPT OF ST	E31TW2WSU59312676	2,791
15.608	3650	NAT'L FISH & WILDL	2.01E+11	101,498
15.611	3650	ID DEPT OF FISH & GAME	WSU002006	14,593
15.615	3600	DIVISION OF FISH AND WILDLIFE	438401-OC AM09	278,547
15.634	4900	Center for Natural Lands Management	WA-S-2013-006-0	0
15.639	3600	SUQUAMISH TRIBE	UW BUD# 663703	15,072
15.649	3760	WDFW SPP	WDFW10-1610	29,839
15.650	3600	CENTER FOR NATURAL LANDS MANAGEMENT	WA-S-2011-006-2	10,142
15.650	3600	NATIONAL WILDLIFE FEDERATION	1201-060	2,908
15.650	3600	THE NATURE CONSERVANCY	WA-S-110321-117 AM02	14,534
15.657	3600	CALIFORNIA SEA GRANT COLLEGE PROGRAM	36633052, R/SF-54	24,077
15.657	3600	CENTER FOR NATURAL LANDS MANAGEMENT	WA-S-2011-006-1	530
15.657	3760	CNLM FOR NAT.LANDS MGMT.	WA-C-2011-022 O	49,632
15.669	3600	CONSERVATION NORTHWEST	F12AP00833	5,063
15.808	3600	INTERNATIONAL ARCTIC RESEARCH CENTER	UFA 13-0057	11,952
15.809	3600	MULTNOMAH COUNTY	4600008876 AM03	4,853
15.820	3600	OREGON STATE UNIVERSITY	GS240B-B AM02	184,576
15.820	3600	OREGON STATE UNIVERSITY	GS275A-A	1,835
15.820	3600	OREGON STATE UNIVERSITY	GS276A-A	45,116
15.820	3600	OREGON STATE UNIVERSITY	SUBGRANTNOGS254AAAM01	26,238
15.904	3700	NIT-Nisqually State Park	N/A	3,710
16.000	3650	PULLMAN POLICE	WSU002168	34,107
16.580	2250	Wa. Assoc of Sheriffs and Police Chiefs (WASPC)	C080195FED-WQA8	2,757
16.585	3650	CLARK COUNTY DIST	2010DCBX0097	3,484
16.710	3700	SC-COPS Meth Initiative	290F619-01	13,309
16.730	3650	RAND CORP	9920110126	34,013
16.730	6990	WSU	115314-G002990	142,523

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16.741	3600	WA STATE PATROL	C120390FED AM02	222,712
17.000	6990	Dept. of Labor	TC-22520	310,876
17.258	6990	Dept. of Labor	11/190-VAR	102,519
17.258	6990	Workforce Central - Tacoma	NAC IBESST B124-B231	15,825
17.258A	6990	Workforce Development Coucil of King County	11/186-VAR	92,218
17.260A	6990	Skillsource	SKS13	10,787
17.261	6990	Dept of Labor	11/190-VAR	135,372
17.268	3650	PACIFIC MOUNTAIN	WFF09C795	-6,633
17.269	6990	US Dept of Labor	1011-01861A	396,025
17.270	5400	Spokane SNAP	7882	141,801
17.274	6990	Tacoma Goodwill	YB-19042-09-60-a-583	39,953
17.275	6990	Dept of Labor	10/304-COM	61,252
17.275	6990	Dept of Labor	11/308-COM	61,607
17.275	6990	Dept of Labor	WDC-Snohomish County	21,526
17.275	6990	Spokane Area Workforce Development Coucil	CCS:SCC-SESP	161,332
17.275	6990	US Dept of Labor	12-AAP-181	65,181
17.275	6990	Workforce Development Council of Snohomish County	09-EDC-O-761-YB	67,308
17.275	6990	Workforce Development Council of Snohomish County	11-EDC-X-078-SESP	11,575
17.275	6990	Workforce Development Council of Snohomish County	12-EDC-X-138-SESP	88,800
17.282	6990	National Avaiation Consortium	TC-23794-12-60-A-20	178,187
17.502	3600	CASA LATINA	UW OSP# A68925	4,794
17.502	3600	CASA LATINA	UW OSP# A77367	11,571
19.000	3600	GEORGETOWN UNIVERSITY	UW-RX2050-958-12-E	16,154
19.000	3600	GEORGETOWN UNIVERSITY	UW-RX2050-988-13-E	17,976
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 665461	118,882
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 666167	2,000
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 666172	3,180
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 666224	2,126

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 666235	2,000
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 666239	1,990
19.000	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 666308	2,000
19.000	3600	JOHNS HOPKINS UNIV	12-SBA-16	59,616
19.000	3600	JOHNS HOPKINS UNIVERSITY	PO2000635588 MOD10	12,353
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS-2011-003 TO05	19,101
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS-2011-003 TO06	10,359
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS-2011-003 TO07	11,563
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS2011003TO02AM03	12,498
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS2011003TO03AM01	19,036
19.000	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS2011003TO04AM02	16,434
19.000	3600	THE ASIA FOUNDATION	31597.100.001/UWLS	546,085
19.000	3600	THE JOHNS HOPKINS UNIV	5654109866PO2001325395	11,832
19.000	3600	THE POPULATION COUNCIL	SH1113 TO01 AM03	50,182
19.000	3700	IIE-Iraqui Scholars	COOP SIZ-100-11-GR070	105,799
19.009	6990	Kirkwood Community College	EVT94660-67007	119,774
19.010	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 800400	193,781
19.014	3600	INSTITUTE OF INTERNATIONAL EDUCATION	UW BUD# 674143	8
20.000	3600	APPLIED PAVEMENT TECHONOLOGY, INC.	TOPR110026RR01UW1	2,513
20.000	3600	APPLIED PAVEMENT TECHONOLOGY, INC.	TOPR210026RR02UW1	14,622
20.000	3600	APPLIED RESEARCH ASSOCIATES, INC.	L00002500013TRAC00MOD0	4,832
20.000	3600	BATTELLE MEMORIAL INST	276700 MOD03	1,641
20.000	3600	BOOZ ALLEN HAMILTON, INC.	101219SB1E TO01 MOD2	22,162
20.000	3600	BOOZ ALLEN HAMILTON, INC.	101219SB1E TO02	2,594
20.000	3600	CAMBRIDGE SYSTEMATICS, INC.	08500	12,283
20.000	3600	CAMBRIDGE SYSTEMATICS, INC.	7877 MOD02	-5
20.000	3600	CH2M HILL , INC. A/P	939844 REV02	-56,892
20.000	3600	DEPT OF TRANSPORTATION	UW BUD# 667544	5,450

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended June 30, 2013 (Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
20.000	3600	WESTAT, INC.	8928-S-008 TO01 MOD02	144,375
20.000	3600	WESTAT, INC.	DTNH22-11-D-00237/0007	25,918
20.000	3650	NAT'L ACADEMIES	HR0436	134,315
20.000	3650	NAT'L ACADEMIES	HR0949A	205,166
20.000	3650	PULSAR INFO	WSU006	1,235
20.000	3650	SPOKANE TRANSIT	WSU000305	12,803
20.000	3650	UNIV OF NORTH TX	GF40511	45,156
20.000	3650	VA TECH UNIV	45119919276	631,942
20.200	3600	BERGERABAM ENGINEER, INC.	FABLD-09-171 AM02	-1
20.200	3600	R.D. MINGO AND ASSOCIATES	A67853	58,846
20.200	3600	UNIVERSITY OF IDAHO	KLK262-SB-004 AM04	35,257
20.200	3650	UNIV OF ID FED	KLK262SB003	4,476
20.205	3600	OREGON DEPT. OF TRANSPORTATION	27146 AM03	51,522
20.205	3700	SV-Mansfield Ave	12-046	2,886
20.215	3650	ENGINEERING & SOF	1213	53,075
20.239	3600	VIRGINIA TECH	425942-19124 MOD03	45,079
20.239	3600	VIRGINIA TECH	425942-19124A	6,750
20.507	6990	King County	145-161-1V6C	29,130
20.513	4050	Specialty Mobility Services	UC05338	959
20.513	4050	Spokane Tribe of Indians	GCA6848	3,629
20.514	3600	SOUND TRANSIT	42660001	93,949
20.600	3760	WASPC RADAR	NONE IDENTIFIED	1,401
20.701	3650	UNIV OF AK	UAF100095	4,507
20.701	3650	UNIV OF AK	UAF120024	176,133
20.701	3650	UNIV OF ID FED	KLK722SB001	-81
20.761	3650	OR ST UNIV FED	T0013GA	28,906
21.000	1480	Neighborworks	PL112-55:95X1350	254,886
43.000	3600	ARIZONA STATE UNIVERSITY	08-964 AM09	8,920

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3600	BARRON ASSOCIATES, INC.	435-SC01 MOD04	77,206
43.000	3600	BAYLOR COLLEGE OF MEDICINE	SMST01601 AM.05	152,838
43.000	3600	BAYLOR COLLEGE OF MEDICINE	SMST01601 AM04	3,135
43.000	3600	CA INST OF TECH	2-1092669	129,800
43.000	3600	CA INST OF TECH JPL	1318945 MOD15	117,660
43.000	3600	CA INST OF TECH JPL	1459517	41,822
43.000	3600	CA INST OF TECH JPL	SUBCONTRACT# 1469582	2,266
43.000	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY	2-1087551 MOD02	19,707
43.000	3600	CALIFORNIA INSTITUTE OF TECHNOLOGY (CALTECH)	RSA 1434690	11,176
43.000	3600	CARNEGIE INSTITUTION OF WASHINGTON	4-10067-4051 AM15	101,660
43.000	3600	CORNELL UNIVERSITY	51326-9484 AM02	4,950
43.000	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RC508-G1 AM01	7,729
43.000	3600	JET PROPULSION LAB	1303809 MOD12	5,961
43.000	3600	JET PROPULSION LAB	1318943MOD16NNN13D006T	35,959
43.000	3600	JET PROPULSION LAB	1359623 MOD08	39,279
43.000	3600	JET PROPULSION LABORATORY	1369586TONNN13D193TMOD	33,091
43.000	3600	JET PROPULSION LABORATORY	1375272, MOD07	34,689
43.000	3600	JET PROPULSION LABORATORY	1377557 MOD 04	35,207
43.000	3600	JET PROPULSION LABORATORY	1420479 MOD06	59,215
43.000	3600	JET PROPULSION LABORATORY	1451183	22,091
43.000	3600	JET PROPULSION LABORATORY	1458461TONM0710772MOD0	104,092
43.000	3600	JET PROPULSION LABORATORY	RSA1368471MOD02NM07100	43,799
43.000	3600	JOHNS HOPKINS UNIVERSITY	935532 AM06	-15,125
43.000	3600	MALIN SPACE SCIENCE SYSTEMS, INC.	12-0233	143,690
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	BLO1301 AM05	1,034
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	MA01603 AM05	207,149
43.000	3600	NATIONAL SPACE BIOMEDICAL RESEARCH	MA01604	544

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3600	PLANETARY SCIENCE INSTITUTE	646 MOD02	6,057
43.000	3600	PRINCETON UNIVERSITY	00001601 MOD06	89,820
43.000	3600	SMITHSONIAN A. O.	AR9-0015X AM05	5,475
43.000	3600	SMITHSONIAN A. O.	ARO-11014X AM02	4,461
43.000	3600	SMITHSONIAN A. O.	GO0-11129B AM02F	1,386
43.000	3600	SMITHSONIAN A. O.	GO1-12118X AM01	262
43.000	3600	SPACE TELESCOPE SCI INST	46508 MOD01	47,831
43.000	3600	SPACE TELESCOPE SCI INST	HST-AR-10945.01-A AM06	9,909
43.000	3600	SPACE TELESCOPE SCI INST	HST-AR-12852.03-A AM01	60,135
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11359.02-A AM01	-176
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11580.01-A AM03	14,218
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11639.01-A AM01	28,458
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11677.09-A AMO2	1,300
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11688.01-A AM01	6,073
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11718.01-A AM03	679
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11719.01-A AM02	-1,015
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11732.02-A	3,169
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-11986.01-A AM03	37,130
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12055.01-A AM04	735,701
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12178.01-A	20,002
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12180.07-A	15,236
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12196.01-A AM02	24,966
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12213	22,160
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12231.01-A	35,154
43.000	3600	SPACE TELESCOPE SCI INST	HST-GO-12311.06-A	5,115
43.000	3600	SPACE TELESCOPE SCI INST	HST-HF-51273.01-A AM03	66,698
43.000	3600	SPACE TELESCOPE SCI INST	HSTGO1205501AAMEND1	21,565
43.000	3600	STANFORD UNIVERISTY	PY-2426-22727-D AM23	60,055

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.000	3600	STIRLING DYNAMICS, INC.	UW BUD# 663172	130,168
43.000	3600	SYSTIMA TECHNOLOGIES, INC.	PO# 37141	3,817
43.000	3600	THE JOHNS HOPKINS UNIVERSITY	970344 AM03	17,407
43.000	3600	UCLA	0995-S-NB097 AM05	70,569
43.000	3600	UNIVERSITY OF MASSACHUSETTS	12006827 A 01 AM01	38,420
43.000	3650	SONOMA TECH	909046	90,257
43.000	3650	UNIV OF ALABAMA	SUB2011003	2,010
43.001	3600	BOSTON UNIVERSITY	4500001053	26,400
43.001	3600	DARTMOUTH COLLEGE	510 AM01	53,596
43.001	3600	DARTMOUTH COLLEGE	510 AM08	83,987
43.001	3600	HARRIS CORPORATION, GCSD C-21A	PO# 56043	120,185
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	AR2-13005X AM01	22,453
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	AR2-13007X	45,192
43.001	3600	SMITHSONIAN ASTROPHYSICAL OBSERVATORY	AR2-13008X	28,484
43.001	3600	SPACE TELESCOPE SCI INST	HST-AR-12619.07-A	32,194
43.001	3600	SPACE TELESCOPE SCI INST	HST-AR-12622.01-A	14,541
43.001	3600	SPACE TELESCOPE SCI INST	HST-AR-12628.01-A	29,930
43.001	3600	SPACE TELESCOPE SCI INST	HST-AR-12656.05-A	10,555
43.001	3600	SPACE TELESCOPE SCI INST	HST-AR-12834.01-A	4,053
43.001	3600	SPACE TELESCOPE SCI INST	HST-AR-12853.04-A	10,558
43.001	3600	SPACE TELESCOPE SCI INST	HST-EO-12512.06-A	27,852
43.001	3600	SPACE TELESCOPE SCI INST	HST-GO-12181.05-A	16,607
43.001	3600	SPACE TELESCOPE SCI INST	HST-GO-12581.06-A	2,170
43.001	3600	SPACE TELESCOPE SCI INST	HST-GO-12605.06-A	16,508
43.001	3600	SPACE TELESCOPE SCI INST	HST-GO-12925 06-A	4,077
43.001	3600	SUNY PLATTSBURGH	240-1095070-57589	14,750
43.001	3650	CA INST OF TECH	361090335	57,100
43.001	3650	CORNELL UNIV	627619776	2,547

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
43.001	3650	INTELLIGENT FIBER	WSU001261	130,610
43.001	3650	UNIV OF ID FED	GNK013SB001	44,030
43.001	3700	NSGF-NSSSC Comp 2013	N/A	1,915
43.001	3800	U. of Arizona	P502180	17,685
43.002	3600	THE OHIO STATE UNIVERSITY RESEARCH FOUN	60016653RF01120294AM07	81,930
43.002	3600	UNIVERSITY OF COLORADO	1548572 MOD01	55,227
47.000	3600	CARNEGIE MELLON UNIV	1120959-214342 AM4	11,347
47.000	3600	HARVARD UNIVERSITY	UW BUD# 664970	17,756
47.000	3600	LSST CORPORATION	C44044LAM02	-3,160
47.000	3600	LSST CORPORATION	C44068L AM003	24,059
47.000	3600	OREGON HEALTH & SCIENCE UNIVERISTY	GSTCN010652UWAPLAM2	819,804
47.000	3600	SUNY	R5661721073996247834AM	7,731
47.000	3600	UNIVERSITY OF COLORADO, COLORADO SPRINGS	PO# 367199	4,313
47.000	3600	UNIVERSITY OF NOTRE DAME	UW BUD# 666085	297
47.000	3650	CA INST OF TECH	75ADV1090486	17,762
47.000	3650	FORT VALLEY STATE	WSU002349	7,179
47.000	3650	UNIV ROCHESTER	415909G	26,678
47.041	3600	CORNELL NANOSCALE SCI & TECH FACILITY	44771-7473	36,953
47.041	3600	CORNELL NANOSCALE SCI & TECH FACILITY	44771-7473 AM21	96,151
47.041	3600	CORNELL NANOSCALE SCI & TECH FACILITY	44771-7473 AM22	603,553
47.041	3600	ENERGETIQ TECHNOLOGY	205-01 AM01	58,547
47.041	3600	LODESPIN LABS	72209	26,245
47.041	3600	MICROGREEN POLYMERS, INC.	IIP-1127360	51,783
47.041	3600	NANOFACTURE, INC.	UW BUD# 638771	-107
47.041	3600	PURDUE UNIVERSITY	NEES-4101-31868 AM10	73,448
47.041	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	130323 AM01	52
47.041	3600	VIRGINIA POLYTECHNIC INST AND STATE UNIV	478496-19124 MOD02	80,923
47.041	3600	VIRGINIA TECH	478497-19124 MOD01	3,500

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.041	3600	WILLIAM MARSH RICE UNIVERSITY	R3D381	18,470
47.041	3600	WILLIAM MARSH RICE UNIVERSITY	R3D381 AM01	151,075
47.041	3650	PURDUE UNIV	410151649	23,556
47.041	3650	UNITED ENVIRON	WSU002184	101,170
47.041	6990	N. Carolina A & T State University	260118A	13,771
47.049	3600	EMORY UNIVERSITY	S880653	52,718
47.049	3600	INSTITUTE FOR ADVANCED STUDY	7443-2307AM	46,802
47.049	3600	LSST CORPORATION	C44009L AM08	281,468
47.049	3600	LSST CORPORATION	C44036L AM05	143,420
47.049	3600	LSST CORPORATION	C44051L/AM03	72,504
47.049	3600	LSST CORPORATION	C44068L AM03	82,208
47.049	3600	OREGON STATE UNIVERSITY	S1235A-A AM01	16,799
47.049	3600	RESEARCH & SPONSORED PROGS ACCT	202054	30,596
47.049	3600	UNIVERSITY OF CALIFORNIA SANTA CRUZ	S0183165AM02	181,240
47.049	3600	UNIVERSITY OF CHICAGO	FP044186PHY1003940AM01	34,520
47.049	3600	UNIVERSITY OF ILLINOIS	2009-01366-01 AM04	103,292
47.049	3600	UNIVERSITY OF ILLINOIS	20090136601A2860085556	16,321
47.049	3600	UNIVERSITY OF NOTRE DAME	201231AMO1PRIMEPHY0715	41,815
47.049	3600	UNIVERSITY OF NOTRE DAME	202048UW	147,560
47.049	3650	UNIV OF ID FED	AMK869SB001	56,558
47.049	6990	Brevard Community College	DUE 0532618	2,500
47.050	3600	COLORADO STATE UNIVERSITY	G-3045-5 AM06	14,680
47.050	3600	COLORADO STATE UNIVERSITY	G-3624-12AM02	68,058
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	BA-85 POT334A85	7,595
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	P.O. T344A85	23,218
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09	9,993,560
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD	8,089
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 12	5,845,541

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 18	17,310
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 2	18,848
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 29	7,850
47.050	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09 MOD 5	9,760,721
47.050	3600	GEORGIA INSTITUTE OF TECHNOLOGY	RB701-G1	50,275
47.050	3600	IRIS	45-DMS AM02	76,011
47.050	3600	OREGON HEALTH & SCIENCE UNIVERISTY	GSTCN010652UWAPLAM2	29,964
47.050	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GSTCN0001A7.UW	-5,834
47.050	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GSTCN0001A7.UW MOD08	-58,362
47.050	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GSTCN0106S6-UW AM03	100,476
47.050	3600	SEA EDUCATION ASSOCIATION, INC.	OCE-1155379-001	7,165
47.050	3600	STROUD WATER RSCH CTR	340038-55900	11,588
47.050	3600	THE TRUSTEES OF COLUMBIA UNIVERSITY, NY	4 (GG002456) AM06	47,294
47.050	3600	UNIV CORP FOR ATMOSPHERIC RSCH	Z12-96689	9,965
47.050	3600	UNIV OF CA SAN DIEGO	39017989	48,414
47.050	3600	UNIVERSITY OF OREGON	208991B AM02	30,859
47.050	3600	UTAH STATE UNIVERSITY	12053604	18,294
47.050	3600	WOODS HOLE OCEANOGRAPHIC INSTITUTION	A100582 AM04	69,766
47.050	3800	Consortium for Ocean Leadership	T325A77,T331B77,T331A7	7,587
47.050	3800	U. of Alaska	FP3389	3,086
47.050	3800	U. of Oregon	207391C	74,824
47.050	3800	U. of S. California	10009041	15,858
47.070	3600	BBN TECHNOLOGIES CORP	PO#9500009460 MOD06	-1,113
47.070	3600	COMPUTING RESEARCH ASSOCIATION	A31928/FA18338 AM08	248,859
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-C-58 AM01	92,183
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-C-64 AM01	36,324
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-D-002	24,019
47.070	3600	COMPUTING RESEARCH ASSOCIATION	CIF-E-002 AM02	74,548

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.070	3600	CORNELL UNIVERSITY	58007-9069 AM03	44,121
47.070	3600	EDLAB GROUP	EQ2012-36	11,104
47.070	3600	PRINCETON UNIVERSITY	00002083 MOD01	3,816
47.070	3600	STANFORD UNIVERSITY	60167194-106431-A	59,787
47.070	3600	THE COLLEGE BOARD	AM02	10,993
47.070	3600	UNIV OF CA SAN DIEGO	PO 10311160-SUB MOD02	5,157
47.070	3600	UNIVERSITY OF COLORADO	1549807	49,866
47.074	3600	CORNELL UNIVERSITY	63655-9675 AM01	101,189
47.074	3600	MICHIGAN STATE UNIVERSITY	61-2075UW AM03	96,420
47.074	3600	MICHIGAN STATE UNIVERSITY	61-2075UW AM05	140,513
47.074	3600	MICHIGAN STATE UNIVERSITY	61-2075UW AM06	205,133
47.074	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	6110567/RFS900119 AM03	77,570
47.074	3600	UNIVERSITY OF PUGET SOUND	211025-UW AM01	8,240
47.074	3600	UNIVERSITY OF WISCONSIN-MADISON	252F195 AM03	174,809
47.074	3650	CORNELL UNIV	602479191	34,777
47.074	3650	UNIV OF MD	Z370805	48,959
47.074	3750	University of Kansas Ctr for Research	FY2011-099/IOS0951254	34,590
47.075	3600	ARIZONA STATE UNIVERSITY	11-471	9,652
47.075	3600	ASSOCIATION FOR INSTITUTIONAL RESEARCH	DG12-64	17,302
47.075	3600	BOISE STATE UNIVERSITY	4993-A	4,510
47.075	3600	GALLAUDET UNIVERSITY	0000021057	7,035
47.075	3600	GALLAUDET UNIVERSITY	0000021943	4,690
47.075	3600	SEATTLE UNIVERSITY	31-177622SA-01	82,104
47.075	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO 10321094-001	44,303
47.075	3600	UNIVERSITY OF MASSACHUSETTS	13007301A00PO000134381	5,319
47.076	3600	ASSOCIATION OF AMERICAN GEOGRAPHERS	NSF EDGE/REESE 7026	40,516
47.076	3600	EXPLORATORIUM	S-DUE-1238253-UW1	56,780
47.076	3600	MICHIGAN STATE UNIVERSITY	RC101209UWDRL1228034AM	64,079

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.076	3600	MICHIGAN STATE UNIVERSITY	RC101209UWPRIMEDRL1228	15,669
47.076	3600	PACIFIC RESOURCES FOR ED. AND LEARNING	10-087	9,343
47.076	3600	PORTLAND STATE UNIVERSITY	201ERV282 AM01	26,973
47.076	3600	STEVENS INSTITUTE OF TECHNOLOGY	527631-004 AM02	28,931
47.076	3600	UNIV OF ALASKA ANCHORAGE	G-3437	-588
47.076	3600	UNIVERSITY OF COLORADO DENVER	FY11.455.001_AMD02_UWA	15,275
47.076	3600	UNIVERSITY OF NORTHERN COLORADO	GKA10-0032	60,208
47.076	3600	UNIVERSITY OF ROCHESTER	UR ACCT#5-23450 AM1	2,267
47.076	3650	CA POLY CORP	1.20345E+14	4,932
47.076	3650	DEL MAR COLLEGE	201202Q	16,306
47.076	3650	EDMONDS CC	NSFATEDUE1002931	40,276
47.076	3650	MI ST UNIV	RC101209WSU	32,031
47.076	3650	PA ST UNIV	3558WSUNSF3747	13,292
47.076	3650	WRIGHT STATE UNI	667378	1,055
47.076	3750	Carleton College	DUE-1125331	18,884
47.076	3760	NSF UTAH AGREEMNT.	RA10026223	49,514
47.076	3800	Salish Kootenai College	NONE	9,048
47.076	6990	Finger Lakes Community College	NSF#1118679	12,833
47.076	6990	Fox Valley Technical College	1104199	8,100
47.076	6990	Missouri State University	G532/G533	54,589
47.076	6990	National Science Foundation	677551	47,027
47.076	6990	National Science Foundation	7252472	1,464
47.076	6990	National Science Foundation	Edmonds Comm. College	5,757
47.076	6990	Saddleback College	DUE 0702912	5,314
47.078	3600	UNIV OF KANSAS, CENTER FOR RESEARCH INC	FY2011-025 MOD03	143,642
47.078	3650	UNIV OF MN	D001872701	16,725
47.078	3750	The Pennsylvania State University	3778-CWU-NSF-2136	58,098
47.079	3600	OREGON STATE UNIVERSITY	S1315A-C	9,628

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
47.079	3600	OREGON STATE UNIVERSITY	S1315A-C AM02	115,797
47.079	3650	US CIVILIAN RSCH	RUB2982ST10	8,385
47.080	3600	UNIVERSITY OF ILLINOIS	2010-07196-04	11,173
47.080	3600	UNIVERSITY OF ILLINOIS	2010-07196-04 AM02	96,139
47.080	3600	UNIVERSITY OF NEBRASKA	2611220020002UTA110001	11,826
47.082	3600	CALIFORNIA STATE U, FRESNO FOUNDATION	SC360025-10-07	3,085
47.082	3600	CONSORTIUM FOR OCEAN LEADERSHIP, INC.	SA 9-09	5,381,855
47.082	3600	THE GENI PROJECT OFFICE	1833G, MOD.#1	66,563
47.082	3600	THE VIRGINIA INSTITUTE OF MARINE SCIENCE	730013/712683	11,155
47.082	3600	UNIVERSITY OF DELAWARE	SUB24957PRIMENSF072497	68,136
47.082	3600	UNIVERSITY OF MARYLAND BALTIMORE COUNTY	0000007899	44,850
47.082	3600	WHITEHEAD INSTITUTE FOR BIOMEDICAL RESEA	14-1622-9957	214,076
47.082	3750	UNAVCO, INC	EAR0732947/S10-EAR0732	225,774
47.999	3750	Bowdoin College	None	0
64.000	3600	DEPT OF VETERANS AFFAIRS	V636SM1628	10,960
64.000	3600	SINCLAIR ADVISORY GROUP LLC	UW BUD# 664515	66,751
66.000	3600	DEPARTMENT OF ENVIRONMENTAL QUALITY	C796 AM06	186,921
66.000	3600	KING COUNTY WATER AND LAND RESOURCES DIV	D39477D AM01	12,123
66.000	3650	FUNGI PERFECTI LLC	WSU002282	12,021
66.000	3650	ROSS STRATEGIC	GS-00F-0045P	9,028
66.000	3650	SQUAXIN ISLAND	WSU000847	3,982
66.001	3650	ID DEPT OF ENVIR QUAL FED FLOW	C912	11,644
66.034	3600	NTNL ENVIRONMENTAL EDUCATION FNDTN	UW BUD# 673993	680
66.034	3600	NTNL ENVIRONMENTAL EDUCATION FNDTN	UW BUD# 674331	3,304
66.034	3650	ID DEPT OF HLTH	HC773000	16,000
66.120	3600	CITY OF SEATTLE	ORGU2181ACCT741190ACTU	22,494

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66.120	3600	KING COUNTY WATER AND LAND RESOURCES DIV	UW BUD# 639923	44,730
66.120	3650	SKAGIT CNTY	C20110493	2,287
66.123	3600	NATURE CONSERVANCY	WA-S-110210-105-0	10,761
66.123	3600	WA ST DEPT OF ECOLOGY	C1200219	6,291
66.123	3600	WA STATE DEPT OF ECOLOGY	C1300039	71,418
66.123	3600	WA STATE DEPT OF ECOLOGY	G1300035	4,684
66.123	3600	WA STATE DEPT OF FISH & WILDLIFE	12-1212	19,985
66.123	4610	Coastal Watershed Institute	PC-00J29801-0	97,346
66.123	4610	King County	PC-00J28401-0	1,257
66.123	4610	NW Marine Straits Foundation	2012-8-CTP	3,488
66.202	3600	CONSORTIUM FOR PLANT BIOTECHNOLOGY	EPA83438801-340 AM0A	-198
66.456	3600	NW STRAITS COMMISSION/PADILLA BAY NERR	IAA C1200208	12,157
66.456	3600	PUGET SOUND PARTNERSHIP	2012-74	33,817
66.456	3600	PUGET SOUND PARTNERSHIP	IAC 2011-14AM02	-220
66.472	3600	WA ST DEPT OF ECOLOGY	C1200251	5,168
66.509	3600	UC DAVIS	07-003825-02 AM03	15,212
66.509	3650	CA INST OF TECH	68F1088313	81,823
66.509	3650	CO ST UNIV	G58681	37,564
66.605	3650	ID DEPT OF ENVIR QUAL FED FLOW	C794	82,107
66.612	3800	Environmental Council of States	TRI-GR3-2012	8,553
66.814	3650	KS ST UNIV	S11209	3,027
81.000	3600	ALSTOM GRID, INC.	3481-4700190350	38,657
81.000	3600	ALSTOM GRID, INC.	3481-4700190350 AM01	62,302
81.000	3600	ARGONNE NATIONAL LABORATORY	2F-31381 MOD01	58,827
81.000	3600	ARGONNE NATIONAL LABORATORY	2F-31622 MOD04	47,331
81.000	3600	BATTELLE ENERGY ALLIANCE LLC	00102644	249,450
81.000	3600	BATTELLE MEMORIAL INST	CONTRACT96824MOD04MA75	243,779
81.000	3600	BATTELLE MEMORIAL INST	TO #204247	8,495

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81.000	3600	BATTELLE MEMORIAL INST	TO 108989 MOD04	35,741
81.000	3600	BATTELLE MEMORIAL INSTITUTE	156075 MOD03	9,111
81.000	3600	BATTELLE MEMORIAL INSTITUTE	156079 MOD04	3,641
81.000	3600	BATTELLE MEMORIAL INSTITUTE	182280 MOD01	25,924
81.000	3600	BATTELLE MEMORIAL INSTITUTE	184391 MO01 REV01	6,193
81.000	3600	BATTELLE MEMORIAL INSTITUTE	MASTER75501TO80477MOD0	-132
81.000	3600	BATTELLE MEMORIAL INSTITUTE	T.O. 152883 MOD01	531
81.000	3600	BATTELLE MEMORIAL INSTITUTE	TO#177999	39,701
81.000	3600	BATTELLE MEMORIAL INSTITUTE	TO135319MOD06MA75501	63,304
81.000	3600	BATTELLE MEMORIAL INSTITUTE	TO178887 MOD01	15,886
81.000	3600	BATTELLE PACIFIC NORTHWEST DIVISION	PO 172497 MOD02	136,011
81.000	3600	BATTELLE PACIFIC NW LABS	117744MOD04	3,235
81.000	3600	BATTELLE PACIFIC NW LABS	170669 MOD04	55,776
81.000	3600	BATTELLE PACIFIC NW LABS	21701 MOD11	71,756
81.000	3600	BATTELLE PACIFIC NW LABS	TASKORDER161937MOD02	19,797
81.000	3600	BATTELLE PACIFIC NW LABS	TO 135292 MOD05	167,044
81.000	3600	BATTELLE PACIFIC NW LABS	TO 150819	5,237
81.000	3600	BATTELLE PACIFIC NW LABS	TO147338MASTER75501	10
81.000	3600	BATTELLE PACIFIC NW LABS	TO160891MSTR75501MOD02	50,435
81.000	3600	BATTELLE PACIFIC NW NATIONAL LAB	172543 AM01	59,952
81.000	3600	BATTELLE PACIFIC NW NATIONAL LAB	TO# 153266	35,313
81.000	3600	FERMI NTL ACCELERATOR LAB	PO 608495	42,848
81.000	3600	FHCRC	0000716165	-432
81.000	3600	KRELL INSTITUTE	UW BUD# 807280	38,620
81.000	3600	KRELL INSTITUTE	UW BUD# 807394	49,533
81.000	3600	LAWRENCE LIVERMORE NATIONAL LABORATORY	B598717 MOD02	33,697
81.000	3600	MISSION SUPPORT ALLIANCE, LLC	45809 AM02	622,244

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81.000	3600	NATIONAL RENEWABLE ENERGY LABORATORY	AGG-2-22256-01 MOD02	45,784
81.000	3600	PACIFIC NORTHWEST NATIONAL LABORATORY (PNNL)	UW BUD# 664458	-11,692
81.000	3600	PC TRASK AND ASSOCIATES INC	A45221 AM06	14,134
81.000	3600	SANDIA NATIONAL LABORATORIES	1038388	11,393
81.000	3600	SANDIA NATIONAL LABORATORIES	1038388 MOD06	2,200
81.000	3600	SAVANNAH RIVER NUCLEAR SOLUTIONS	AC819890O CO01	8,521
81.000	3600	SNOHOMISH COUNTY	61661	282,941
81.000	3600	SOLAR-WORLD INDUSTRIES AMERICA, INC.	GO-DE-005313-07	161,218
81.000	3600	STANFORD UNIVERISTY	113484	71,440
81.000	3600	UC - LOS ALAMOS NATIONAL LABORATORY	125454-1	47,806
81.000	3600	UC - LOS ALAMOS NATIONAL LABORATORY	188680-1 MOD02	73,894
81.000	3600	UNIV OF CA, ERNEST ORLANDO	6700882MOD17	626,137
81.000	3600	UNIVERSITY OF NEW MEXICO	889186-874J AM08	68,050
81.000	3600	US DEPT OF ENERGY BPA	00059750	25,827
81.000	3600	UT BATTELLE, LLC	4000093555 M0D07	246,284
81.000	3650	ALLIANCE SUSTAINABLE ENERGY	XFA11165201	54,084
81.000	3650	ALLIANCE SUSTAINABLE ENERGY	XGB22220401	53,423
81.000	3650	ALLIANCE SUSTAINABLE ENERGY	ZFT04064401	413,060
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	126553	180,142
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	127427	111,620
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	14002	365
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	21	36,692
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	RELEASE00020	383,825
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	RELEASE00022	143,681
81.000	3650	BATTELLE ENERGY ALLIANCE FED F	RELEASE00023	49,640
81.000	3650	BATTELLE LABS	104976	32,651
81.000	3650	BATTELLE LABS	109061	44,220

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81.000	3650	BATTELLE LABS	109822	89,567
81.000	3650	BATTELLE LABS	109823	46,292
81.000	3650	BATTELLE LABS	110613	10,388
81.000	3650	BATTELLE LABS	110804	68,353
81.000	3650	BATTELLE LABS	118074	169,856
81.000	3650	BATTELLE LABS	120402	63,614
81.000	3650	BATTELLE LABS	123751	27,073
81.000	3650	BATTELLE LABS	130236	1,901
81.000	3650	BATTELLE LABS	131023	60,860
81.000	3650	BATTELLE LABS	132925	1,787
81.000	3650	BATTELLE LABS	137572	4,085
81.000	3650	BATTELLE LABS	140227	-97
81.000	3650	BATTELLE LABS	142104	30,358
81.000	3650	BATTELLE LABS	142361	66,294
81.000	3650	BATTELLE LABS	154955	56,585
81.000	3650	BATTELLE LABS	162817	48,077
81.000	3650	BATTELLE LABS	163232	5,997
81.000	3650	BATTELLE LABS	166705	17,401
81.000	3650	BATTELLE LABS	169039	15,263
81.000	3650	BATTELLE LABS	170586	3,469
81.000	3650	BATTELLE LABS	171377	106,583
81.000	3650	BATTELLE LABS	172660	35,393
81.000	3650	BATTELLE LABS	172682	34,735
81.000	3650	BATTELLE LABS	179251	175
81.000	3650	BATTELLE LABS	179325	9,824
81.000	3650	BATTELLE LABS	183397	10,883
81.000	3650	BATTELLE LABS	193650	29,848
81.000	3650	BATTELLE LABS	193788	28,340

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81.000	3650	BATTELLE LABS	195514	7,386
81.000	3650	BATTELLE LABS	195572	26,841
81.000	3650	BATTELLE LABS	198288	13,078
81.000	3650	BATTELLE LABS	201044	17,056
81.000	3650	BATTELLE LABS	203649	32,168
81.000	3650	BATTELLE LABS	203920	4,932
81.000	3650	BATTELLE LABS	57334	-135
81.000	3650	BATTELLE LABS	75387	50,376
81.000	3650	BATTELLE LABS	93547	11,291
81.000	3650	CASCADE ENERGY ENGINEERING INC	182	11,658
81.000	3650	CHENEGA GOVERNMENT CONSULTING	270031SUBWSU5418EERE	1,340,535
81.000	3650	CITY OF SEATTLE	OSE1018	243,566
81.000	3650	CITY OF SEATTLE	OSE1145	66,093
81.000	3650	ENERGY ENTERPRISE SOLUTIONS LL	01019W01062	93,147
81.000	3650	ENERGY ENTERPRISE SOLUTIONS LL	9W011WAPA0201	3,385
81.000	3650	HYDRO RESEARCH FOUNDATION	WSU002135	16,594
81.000	3650	HYDRO RESEARCH FOUNDATION	WSU002136	8,821
81.000	3650	ID DEPT OF FISH & GAME	WSU002255	26,464
81.000	3650	LAWRENCE LIVERMORE NATL SCTY L	B595680	8,763
81.000	3650	LOS ALAMOS NAT'L SECURITY LLC	4792600109	92,986
81.000	3650	LOS ALAMOS NAT'L SECURITY LLC	8446100110	111,758
81.000	3650	MISSION SUPPORT ALLIANCE LLC	51419	12,691
81.000	3650	NW ENERGY WORKS INC	WSU002053	5,173
81.000	3650	PROJECT PERFORMANCE CORP	1511WSU01	-2,619
81.000	3650	SANDIA NAT'L LAB FED	1072147	35,960
81.000	3650	SANDIA NAT'L LAB FED	1225319	12,674
81.000	3650	SANDIA NAT'L LAB FED	1233946	10,948
81.000	3650	SANDIA NAT'L LAB FED	1245157	10,481

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81.000	3650	SANDIA NAT'L LAB FED	1316643	11,225
81.000	3650	SANDIA NAT'L LAB FED	651102	27,735
81.000	3650	SAVANNAH RIVER NUCLEAR LLC	AC695370	41,858
81.000	3650	THURSTON REGION	WSU001294	35,588
81.000	3650	UNIV OF CA DAVIS	1625878	12,793
81.000	3650	UNIV OF CA-BERKELEY FED FLOW	6979775	41,381
81.000	3650	UNIV OF CA-BERKELEY FED FLOW	7049758	6,821
81.000	3650	UNIV OF CENTRAL FL	268378	24,216
81.000	3650	UT-BATTELLE LLC FED FLOW	400112928	218,289
81.000	3700	Kal Tr-Bull Trout 12-13	2007-246-00 CA47330	111,838
81.000	3700	Kal Tr-Bull Trout 13-14	2007-246-00 #47330	18,456
81.000	3700	Spo Tr-BPA Lake Roos 11-12	1994-043-00	32,395
81.000	3700	Spo Tr-BPA Lake Roos 12-13	1994-043-00	146,512
81.000	3700	UCUT Monitoring 13-14	200800700	18,265
81.000	3700	UCUT-Monitoring 12-13	200800700	105,257
81.000	4610	National Fish and Wildlife Foundation	0201.12.033734	91,514
81.000	4610	National Fish and Wildlife Foundation	2011-0016-005	35,902
81.000	4770	Oregon Dept of Fish & Wildlife	090-1289-ISA-FISH	121,629
81.000	4770	Oregon Dept of Fish & Wildlife	324-12	308,646
81.000	4770	Pacific States Marine Fisheries Commission	12-108	521,173
81.000	4770	Pacific States Marine Fisheries Commission	12-109	19,601
81.000	4770	Pacific States Marine Fisheries Commission	12-46	20,913
81.000	4770	Pacific States Marine Fisheries Commission	12-51	4,473
81.000	4770	Pacific States Marine Fisheries Commission	12-68	-7,729
81.000	4770	Pacific States Marine Fisheries Commission	12-76	51,586
81.000	4770	Pacific States Marine Fisheries Commission	12-77	25,438
81.000	4770	Pacific States Marine Fisheries Commission	13-38	87,337
81.000	4770	Pacific States Marine Fisheries Commission	13-57	131,794

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81.000	4770	Pacific States Marine Fisheries Commission	13-78	289,339
81.000	4770	Pacific States Marine Fisheries Commission	13-79	12,187
81.041	3650	ID OFFICE OF ENERGY RESOURCES	CON00210	20,185
81.049	3600	AERODYNE RESEARCH, INC	ARI 10667-4 AM02	155,495
81.049	3600	CARNEGIE MELLON UNIVERSITY	1070096-242680 AM03	138,226
81.049	3600	EAGLE HARBOR TECHNOLOGIES, INC.	DE-SC000448	23,783
81.049	3600	EAGLE HARBOR TECHNOLOGIES, INC.	PRIME DE-SC0006281	29,670
81.049	3600	EAGLE HARBOR TECHNOLOGIES, INC.	UWOSPA66435DESC000448M	100,988
81.049	3600	FOREST CONCEPTS, LLC	UW BUD# 639982	69,050
81.049	3600	MARINE BIOLOGICAL LABORATORY	44978	39,419
81.049	3600	NORTHEASTERN UNIVERSITY	503018 MOD2	60,758
81.049	3600	PRINCETON UNIVERSITY	00001890 MOD02	67,548
81.049	3600	STONY BROOK UNIVERSITY	008044/1011334/2 AM04	45,669
81.049	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES	0190GQB351	38,935
81.049	3600	UNIVERSITY OF ILLINOIS	2003-07059-05 (A6929)	125,143
81.049	3600	UNIVERSITY OF MISSOURI-COLUMBIA	C00034442-1	220,376
81.049	3600	UNIVERSITY OF NEVADA, RENO	UNR-13-62	11,283
81.049	3600	UNIVERSITY OF OREGON	234151M AM03	-1,425
81.049	3600	UNIVERSITY OF OREGON	234151M AM05	-6,726
81.049	3600	UNIVERSITY OF WISCONSIN-MADISON	359K612	49,126
81.049	3650	DONALD DANFORTH PLANT SCI CTR	23009-WS	94,512
81.049	3650	DONALD DANFORTH PLANT SCI CTR	DDPSC21017WS	326,464
81.049	3650	INNOVATEK INC	10154	49,618
81.049	3650	UNIV OF MN	A003127004	94,238
81.049	3650	UNIV OF NM	740058874P	83,431
81.049	3650	UNIV OF NV LAS VEGAS FED FLOW	08X01	5,947
81.049	3700	UCLA-EFRC	Sub 0190 G MA598	37,543
81.049A	3600	BATTELLE MEMORIAL INSTITUTE	124328	1,135,830

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81.049A	3600	UNIVERSITY OF ARIZONA	Y551851	-4,904
81.049A	3600	UNIVERSITY OF ARIZONA	Y551851 AM5	189,905
81.049A	3600	UNIVERSITY OF ARIZONA	Y551851AM01	1,346
81.086	3600	GENERAL MOTORS	TCS65292	48,315
81.086	3650	PUGET SOUND CLEAN AIR AGCY	20110140IAA	-347
81.087	3600	CONSORTIUM FOR PLANT BIOTECHNOLOGY	GO12026-300 AM-C	33,188
81.087	3600	OREGON STATE UNIVERSITY	G0107A-A AM03	36,900
81.087	3600	OREGON STATE UNIVERSITY	G0107A-A AM06	233,875
81.087	3600	OREGON STATE UNIVERSITY	G0107K-A	57,086
81.087	3600	OREGON STATE UNIVERSITY	G0128A-A	39,560
81.087	3600	UNIVERSITY CORP FOR ATMOSPHERIC RESEARCH	Z13-13583	3,804
81.087	3650	PORT OF BENTON	WSU002046	396,651
81.087	4900	Arizona Geological Survey	DE-EE0002850	706,580
81.087A	3600	DONALD DANFORTH PLANT SCIENCE CENTER	28302-U	351,365
81.089	3600	UNIVERSITY OF WISCONSIN-MADISON	424K340 UW	16,769
81.089	3650	MT ST UNIV - BOZEMAN	G12912W3521	111,438
81.106	2250	Western Governors' Association	C120078FED-TWX2	58,066
81.119	3650	ID OFFICE OF ENERGY RESOURCES	CON00205	15,041
81.121	3650	MEDICAL UNIV OF SOUTH CAROLINA	MUSC09094	-63,374
81.121	3650	MEDICAL UNIV OF SOUTH CAROLINA	MUSC12011	96,594
81.122	3650	AZ ST UNIV FED FLOW	11453	236,908
81.122	3650	ENTERGY SRVCS INC	10283474	68,622
81.122	3650	MS ST UNIV	6.07004E+12	40,294
81.122	3650	UNIV OF IL FED FLOW	20100125103	332,055
81.122	3650	UNIV OF MN	A000211585	1,978
81.135	3650	CORNELL UNIV NON FED	653029807	141,122
81.135	3650	UNIV OF MASS	12006903B00	133,598

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81.135A	3600	GINKGO BIOWORKS, INC	2001001	198,771
81.135A	3600	GINKGO BIOWORKS, INC	201001	453,640
81.999	3650	UNIV OF CENTRAL FL	20126094	-35,354
81.999	3650	UNIV OF CENTRAL FL	252858	102,517
81.999	4770	Walla Walla County Conservation District	None	127,309
84.000	3600	AMERICAN INSTITUTES FOR RESEARCH	01016-L6031	56,320
84.000	3600	CAROLINAS MEDICAL CENTER	H133A080035	75,759
84.000	3600	DEPT OF EDUCATION	UW BUD# 667627	4,708
84.000	3600	FEDERAL LEADERSHIP INSTITUTE	ED-OII-11-Q-0023	65,297
84.000	3650	FILAMENT GAMES	115448001	20,078
84.027	3750	North Central Educational Service	1211200005/1211200004	150,894
84.027	3750	North Central Educational Service District	1211100004/1211100005	17,800
84.048	6990	Workforce Training and Education Coor Board	IAA-804-12	15,000
84.101	6990	Tulalip Tribes	V101A010017-03A	143,947
84.116	6990	Workforce Dev Council of Snoco	11-EVC-X-090-FIPSE	22,486
84.116	6990	Workforce Development Council of Snohomish County	09-EDC-O-775-FIPSE	20,954
84.133	3600	ALBERT EINSTEIN HEALTHCARE NETWORK	H133A120037SUBCONTRACT	11,571
84.133	3600	MSNW LLC	80831	828
84.214	3650	READY BY FIVE	WSU002044	10,438
84.215	3650	WASHOUGAL SCHOOL DIST	9971200123	20,398
84.215	3650	WASHOUGAL SCHOOL DIST	99781101169	11,580
84.283	3600	EDVANCE RESEARCH, INC.	UW BUD# 666459	142,857
84.305	3600	AMERICAN INSTITUTES FOR RESEARCH (AIR)	01105-03230	50,056
84.305	3600	HARVARD UNIVERSITY	108095-5460049	15,562
84.305	3650	BINGHAMTON UNIV	6.18101E+11	71,164
84.324	3600	LOUISIANA STATE UNIVERSITY	51423	107,563
84.324	3600	UNIV OF KANSAS, CENTER FOR RESEARCH INC	FY2009-083 MOD04	256,190
84.324	3600	UNIV OF KENTUCKY	3048108226-12-338AM02	82,960

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84.324	3600	UNIVERSITY OF FLORIDA	UF12328	9,448
84.324	3600	UNIVERSITY OF OKLAHOMA	RS20110522-01	638
84.324	3600	UNIVERSITY OF OKLAHOMA	RS20110522-04	372,753
84.324	3600	UNIVERSITY OF OKLAHOMA	RS20120590-02	145,850
84.325	3600	MONTCLAIR STATE UNIVERSITY	H325T110012-UOW AM01	19,307
84.327	3600	BENEFICENT TECHNOLOGY, INC.	UW BUD# 666227	23,000
84.327	3650	UNIV OF KS FED	FY2012049	-14
84.334	6990	WA Student Achievement Counci Gear Up	061411-001	37,706
84.360	3600	SEATTLE PUBLIC SCHOOLS	UW BUD# 661130	68,704
84.360	3600	SEATTLE PUBLIC SCHOOLS	UW BUD# 663947	55,721
84.366	3650	EDUC SVC DIST #112	700300044	2,867
84.366	3650	EDUC SVC DIST #112	700300056	1,642
84.367	3600	NATIONAL WRITING PROJECT	92-WA03SEED2012 AM01	37,128
84.367	3750	University of California	92-WA02-SEED2012	31,545
84.378	3600	METROPOLITAN DEVELOPMENT COUNCIL	UW BUD# 663993	3,829
84.378	3600	WESTERN WASHINGTON UNIVERSITY	55763-16	-188
84.396	3600	BEAVERTON SCHOOL DISTRICT	BSD REF#10-0025	195,196
84.396	3600	BELLEVUE SCHOOL DISTRICT	A58405	164,483
84.405	3600	HERITAGE UNIVERSITY	U405A100020	116,360
84.412	3600	DEPARTMENT OF EARLY LEARNING	12-1285	7,525
84.412	3600	DEPARTMENT OF EARLY LEARNING	12-1285-01	2,680,259
84.928	3600	NTL WRITING PROJECT CORP	92-WA03	35,244
84.928	3600	NTL WRITING PROJECT CORP	92-WA03 AM34	1,769
84.928	3750	University of California	92-WA02	9,733
90.402	0850	TVW	11-041	2,490
90.403	3600	INFORMATION TECHNOLOGY & INNOVATION	2011001	29,575
93.000	3600	ACCOUNTABILITY SOLUTIONS, INC.	UW BUD# 663790	18,209
93.000	3600	ALTARUM INSTITUTE	SC-12-020	47,038

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93.000	3600	AMERICAN COLLEGE - OB & GYN	200-2010-37560	10,568
93.000	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1147	16,320
93.000	3600	AMERICAN INSTITUTES FOR RESEARCH (AIR)	SUB #00993-02731.003	24,130
93.000	3600	AMERICAN INSTITUTES FOR RESEARCH (AIR)	SUB #0790-02731.003	9,635
93.000	3600	AMERICAN PSYCHIATRIC ASSOCIATION	UW BUD# 800464	13,756
93.000	3600	AOEC	PEHSU	33,607
93.000	3600	ARBOR VITA CORP	A53171 AM03	49,757
93.000	3600	ASS. OF STATE AND TERRITORIAL HLTH OFF	16013-2, 5C	20,135
93.000	3600	ASSOCIATION OF O AND E CLINICS	UW BUD# 665480	119,298
93.000	3600	ASSOCIATION OF SCHOOLS OF PUBLIC HEALTH	S3951-28/29	90,518
93.000	3600	AXIO RESEARCH CORP	NHL245-08	20,568
93.000	3600	BASTYR UNIVERSITY	H33B11-03MOD02	11,281
93.000	3600	BEHAVIORAL TECH RESEARCH, INC.	UW BUD# 662040	31,469
93.000	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY13.1095.A55946	10,331
93.000	3600	BENAROYA RSCH INST AT VIRGINIA MASON	01952/05899	1,506
93.000	3600	BENAROYA RSCH INST AT VIRGINIA MASON	0585312	12,428
93.000	3600	BENAROYA RSCH INST AT VIRGINIA MASON	07893	1,506
93.000	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	AM03	29
93.000	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	AM04PRIME5R01AG0306180	27,489
93.000	3600	CASE WESTERN RESERVE UNIV	RES429675,AMD19	-8,614
93.000	3600	CASE WESTERN RESERVE UNIVERSITY	RES507022MOD06	115,170
93.000	3600	CENTER FOR PSYCHOLOGICAL CONSULTATION	UW BUD# 664815	51,673
93.000	3600	CHILDREN'S HOSPITAL BOSTON	0000472158	15,450
93.000	3600	COLUMBIA RIVER MENTAL HEALTH SERVICES	UW BUD# 664361	8,166
93.000	3600	COLUMBIA UNIVERSITY	ACCT #5-38266 AM03	36,377
93.000	3600	COLUMBIA UNIVERSITY	UW BUD# 664066	-2,004
93.000	3600	COMPUTERCRAFT CORPORATION	CC FORM SUB UW#1 MOD06	605,561
93.000	3600	CONFEDERATED TRIBES OF THE COLVILLE RESE	2012-630	26,143

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93.000	3600	CONGRESSIONAL GLAUCOMA CAUCUS FOUNDATION	SSSP #50	3,918
93.000	3600	CORIXA CORP	PO323870HHSN2722009000	385,242
93.000	3600	DARTMOUTH COLLEGE	819AM02	65,524
93.000	3600	DIR OF HEALTH PROMOTION AND EDUCATION	12-803000-007 AD01	8,766
93.000	3600	DUKE CLINICAL RESEARCH INSTITUTE (DCRI)	SPS #162060, SITE 070	7,012
93.000	3600	EDENSPACE SYSTEMS CORPORATION	UW BUD# 660713	-84
93.000	3600	EVANSTON NORTHWESTERN HEALTHCARE	EH06201S9N01AG60007CMO	-1,209
93.000	3600	FHCRC	0000724839	1,961
93.000	3600	FHCRC	0000724839 AM01	12,433
93.000	3600	FHCRC	0000764481	19,538
93.000	3600	FHCRC	SA1200891	5,546
93.000	3600	FHCRC	SA1300948	2,605
93.000	3600	FHCRC	UW BUD# 664852	20,497
93.000	3600	GROUP HEALTH COOPERATIVE	PSA-201109-STRATTON	5,028
93.000	3600	GROUP HEALTH RESEARCH INSTITUTE	2008113462 MOD07	4,167
93.000	3600	HANOI SCHOOL OF PUBLIC HEALTH	UW BUD# 661690	-129
93.000	3600	HEALTH RESEARCH & EDUCATION TRUST	PJ 8079 TO02	58,644
93.000	3600	HUGO MOSER RESEARCH INSTITUTE	UW BUD# 667295	3,487
93.000	3600	ILLIONEX, LLC	UW BUD# 666693	26,498
93.000	3600	IMMUNE TOLERANCE NETWORK	108151	57,251
93.000	3600	IMMUNE TOLERANCE NETWORK	ITN10212-00SC AM02	112,777
93.000	3600	IMPERIAL COLLEGE	UW BUD# 639399	7,368
93.000	3600	INT SOCIETY FOR DISEASE SURVEILLANCE	CONTRACT #A53625 S01	-2,465
93.000	3600	JOHN SNOW, INC	13283-1052	65,554
93.000	3600	JOHN SNOW, INCORPORATED	UW BUD# 664156	1,822
93.000	3600	JOHNS HOPKINS UNIVERSITY	PO#2001739762	74,319
93.000	3600	KINETA, INC.	5013 AM01	9,870

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93.000	3600	LOOKING GLASS ANALYTICS	HHSN271201200014C AM01	44,997
93.000	3600	MACRO INTERNATIONAL INC.	633430-9S-1414, MOD 3	12,316
93.000	3600	MASSACHUSETTS GENERAL HOSPITAL	220187 MOD01	25,000
93.000	3600	MATHEMATICA POLICY RESEARCH , INC.	06947S02227	24,415
93.000	3600	MOUNT SINAI SCHOOL OF MEDICINE	02583615HHSN2722010000	35,034
93.000	3600	NATIONAL CONGRESS OF AMERICAN INDIANS	U26IHS30029301SA03AM04	47,927
93.000	3600	NAVASOTA ISD	AM01	138,450
93.000	3600	NCLSH	NCHH 07 1065 AM04	-2,724
93.000	3600	NCLSH	NCHH-06-C-1046	2,335
93.000	3600	NIH	UW BUD# 663077	72,847
93.000	3600	NIH	UW BUD# 666083	123,841
93.000	3600	NIH	UW BUD# 667039	12,892
93.000	3600	NIH	UW BUD# 667127	4,507
93.000	3600	NIH	UW BUD# 667371	9,465
93.000	3600	NIH	UW BUD# 667466	3,847
93.000	3600	NIH	UW BUD# 667490	1,059
93.000	3600	NORTHWESTERN UNIVERSITY	UW BUD# 666923	408
93.000	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GPEDC0036A SAHN AM03	47,257
93.000	3600	OREGON HEALTH SCIENCES UNIVERSITY	1003032-UW	10,079
93.000	3600	PATH	NIH131107261SUBAM08	9,611
93.000	3600	PENNINGTON BIOMEDICAL RESEARCH CENTER	1RO1AG03026601A201	-90
93.000	3600	RADIOLOGICAL SOCIETY OF NORTH AMERICA	HHSN268200800020C	55,124
93.000	3600	RADIOLOGICAL SOCIETY OF NORTH AMERICA	HHSN268200800020C AM03	27,154
93.000	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-1077N MOD06	99,947
93.000	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-1077P MOD06	236,179
93.000	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UWNMR-13595-1	81,779
93.000	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UWPPG-13595-1	584,238
93.000	3600	SEATTLE CHILDREN'S HOSPITAL	PO 414574	68,613

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93.000	3600	SEATTLE CHILDREN'S HOSPITAL	UW BUD# 666958	47,369
93.000	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10592SUB MOD01	92,656
93.000	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10592SUB MOD02	11,082
93.000	3600	SIBCR	JPAPOTG110MUNDIT2SIBCR	14,053
93.000	3600	SIBCR	TD13MEICHS3SIBCR	49,151
93.000	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	CRBUCLA1S1000052MOD01	5,000
93.000	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC	PHRSSSS11001633MOD01	12,681
93.000	3600	SOCIAL SCIENTIFIC SYSTEMS INC	PHRSIS01S1000117MOD01	11,429
93.000	3600	TALARIA, INC.	A71965	20,590
93.000	3600	THE EMMES CORPORATION	UW BUD# 660119	13,680
93.000	3600	THE UNIVERSITY OF SOUTH FLORIDA	6119-1117-00-AM MOD02	14,187
93.000	3600	TRUSTEES UNIVERSITY OF PENNSYLVANIA	UW BUD# 667504	19,238
93.000	3600	UNIV OF ALABAMA	000404693007AM3N01HC95	-6,490
93.000	3600	UNIV OF ALABAMA	000419431-007 AM05	6,490
93.000	3600	UNIV OF ALABAMA	000419431007AM07OPTION	20,237
93.000	3600	UNIV OF CA SAN FRANCISCO	7412SC	7,256
93.000	3600	UNIV OF COLORADO, DENVER	FY11284002FY13284002AM	165,597
93.000	3600	UNIV OF TEXAS	GMO-100503 MOD03	-14,951
93.000	3600	UNIV OF TEXAS SOUTHWESTERN MEDICAL CTR	UW BUD# 665679	19,291
93.000	3600	UNIVERSITY OF ALABAMA	191999-010	-7,173
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000404693-002 AM03	-29,175
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000419431-006 AM06	29,175
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000419431-006 AM07	9,371
93.000	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000438814 TO2 SC001	21,838
93.000	3600	UNIVERSITY OF CALIFORNIA	5579SC AM03	-10
93.000	3600	UNIVERSITY OF CALIFORNIA	5579SC AM05	49,797
93.000	3600	UNIVERSITY OF CALIFORNIA	5579SC, AMD2	-578
93.000	3600	UNIVERSITY OF CALIFORNIA	6216SC AM03	21,718

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93.000	3600	UNIVERSITY OF CALIFORNIA	7008SC	108,754
93.000	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	10313800	131,374
93.000	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2011-2591AM01	52,031
93.000	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2011-2593 AM01	81,649
93.000	3600	UNIVERSITY OF CALIFORNIA, IRVINE	2011-2593AM01	20,282
93.000	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	10313800	40,885
93.000	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10313800-SUB	83
93.000	3600	UNIVERSITY OF MARYLAND, BALTIMORE	SR00002272 AM01	6,104
93.000	3600	UNIVERSITY OF MICHIGAN	F025217, AM01	-452
93.000	3600	UNIVERSITY OF MINNESOTA	N001257301A AM02	5,833
93.000	3600	UNIVERSITY OF MINNESOTA	P002081501 AM01	46,489
93.000	3600	UNIVERSITY OF NAIROBI	UW BUD# 800398	35,525
93.000	3600	UNIVERSITY OF PITTSBURGH	0024031-6 AMEND 01	129,315
93.000	3600	UNIVERSITY OF PITTSBURGH	00240316AM1HHSN2722011	2,002
93.000	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1117-00-AM	1,761
93.000	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER, HOUSTON	UW BUD# 663382	-159,596
93.000	3600	VPDIAGNOSTICS, INC	UW BUD# 631409	3,030
93.000	3600	WAKE FOREST UNIVERSITY	NO1-HC-95178 AMEND 16	17,890
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 30225 AM01	172,208
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 30225 AM02	443,614
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 33000 AM03	17,685
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 33000 AM04	26,805
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 33000 AM06	298,632
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS 33000 AM09	422,341
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS GTS 35888 AM07	54,469
93.000	3600	WAKE FOREST UNIVERSITY	WFUHS33000SULLIVANAM02	22,384
93.000	3600	WESTAT, INC.	8846.02-S04	39,271

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93.000	3600	YAKIMA VALLEY FARM WORKERS CLINIC	UW BUD# 674022	-24,539
93.000	3650	AXIO RES CO LLC	WSU000335	989
93.000	3650	BATTELLE LABS	102042	33,065
93.000	3650	BLAZE BIOSCIENCE	118171	55,909
93.000	3650	INLAND NW HLTH SVCS	3552	6,898
93.000	3650	NATIONAL AHEC ORGANIZATION	WSU002312	3,116
93.000	3650	NW INDIAN COLL	2.42131E+12	47,379
93.000	3650	OPTUMHEALTH	46181	1,339
93.000	3650	UNIV OF CT FED FLOW	UCHC637191497	22,341
93.000	6990	ABT Associates Inc.	HPOGV2,MOU#40830	1,709
93.000A	3600	ISPP INGENIX PUBLIC SECTOR SOLUTIONS INC	140005	115,149
93.051	3600	STATE OF OREGON	130311 AM02	28,681
93.067	3600	APHL	564004225011301AM02	32,715
93.067	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	5U2GPS001177-04	18,771
93.067	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	5U2GPS0011773BIDMCAMD1	-3,986
93.067	3600	CDC FOUNDATION	634-01-SC	7,208
93.067	3600	COPTIC ORTHODOX CHURCH	001-3 MOD01	206,162
93.067	3600	COPTIC ORTHODOX CHURCH	001-3 MOD02	162,905
93.067	3600	COPTIC ORTHODOX CHURCH	002-3 MOD01	179,144
93.067	3600	COPTIC ORTHODOX CHURCH	003-3 MOD02	61,074
93.067	3600	COPTIC ORTHODOX CHURCH	004-3	45,768
93.067	3600	COPTIC ORTHODOX CHURCH	SUBCONTRACT 001-2	23,828
93.067	3600	COPTIC ORTHODOX CHURCH	SUBCONTRACT 004-2	3,869
93.067	3600	COPTIC ORTHODOX CHURCH	SUBCONTRACT0012MOD01	47,319
93.067	3600	COPTIC ORTHODOX CHURCH	SUBCONTRACT0022MOD01	154,575
93.067	3600	COPTIC ORTHODOX CHURCH	SUBCONTRACT0032MOD01	15,096
93.067	3600	COPTIC ORTHODOX CHURCH	UW BUD# 665364	52,304
93.067	3600	NASTAD	ITECH 12# 1.0	94,830

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93.067	3600	NASTAD	UW BUD# 674034	109
93.067	3600	RTI INTERNATIONAL	2-312-0212736 MOD 2	37,155
93.067	3600	UNIV OF CA SAN FRANCISCO	6607SC AM02	-78
93.067	3600	UNIV OF CA SAN FRANCISCO	7352SC	114,946
93.067	3600	UNIVERSITY OF CALIFORNIA	6293SC	18,384
93.067	3600	UNIVERSITY OF CALIFORNIA	6293SC AM03	192,022
93.067	3600	UNIVERSITY OF CALIFORNIA	6293SC AM05	132,759
93.067	3600	UNIVERSITY OF CALIFORNIA	6293SC AM06	164,714
93.067	3600	UNIVERSITY OF CALIFORNIA	6293SC AMEND #2	301,512
93.067	3600	UNIVERSITY OF CALIFORNIA	6601SC	5
93.067	3600	UNIVERSITY OF CALIFORNIA	6601SCAM01DPA628015295	154,798
93.067	3600	UNIVERSITY OF CALIFORNIA	6601SCAM04DPA628015295	216,939
93.067	3600	UNIVERSITY OF CALIFORNIA	7344SC	54,321
93.067	3600	UNIVERSITY OF NAIROBI	UONUWCDC5U2GPS00118304	94,717
93.067	3600	UNIVERSITY OF NAIROBI	UONUWCDC5U2GPS00118305	127,921
93.069	3030	Rad Response Vol Corps	N19599	18,188
93.069	3600	WA STATE DEPARTMENT OF HEALTH	N19163	10,208
93.070	3600	PUBLIC HEALTH - SEATTLE & KING COUNTY	EHS2478	11,817
93.074	3600	LOS ANGELES COUNTY	PH-002436	30,893
93.088	3600	THURSTON COUNTY	UW-CHC-P2-Y1 AM01	70,849
93.093	2350	Workforce Development Council of King County	12/679-HHS	138,120
93.093	6990	Dept of Health and Human Services	11/648-HHS	16,797
93.093	6990	Dept of Health and Human Services	12/674-HHS	80,367
93.103	3600	UNIVERSITY OF ROCHESTER	415628-G	33,567
93.103	3600	UNIVERSITY OF ROCHESTER	415941-G	58,697
93.104	3600	UNIVERSITY OF MARYLAND	SR00002386PRIME1210823	79,902
93.110	3600	UCLA	1920 G KB359 AM05	134
93.110	3600	UCLA	1920 G KB359 AM06	32,747

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93.110	3600	UNIVERSITY OF ALASKA ANCHORAGE	P0424035 AM001	-14
93.110	3600	UNIVERSITY OF ALASKA ANCHORAGE	P0424035B AM002	19,736
93.113	3600	BATTELLE PACIFIC NW LABS	TO141096MA75501MOD05	56,395
93.113	3600	BRIGHAM & WOMENS HOSP	104281 AM03	3
93.113	3600	BROWN UNIVERSITY	00000544PRIME1RO1ES020	15,759
93.113	3600	CHILDREN'S HOSPITAL	10149SUB AM03	-935
93.113	3600	DEPARTMENT OF NATURAL RESOURCES	1553 G MC571 AM03	109,368
93.113	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570.114018 AM04	77,998
93.113	3600	RUSH UNIVERSITY MEDICAL CENTER	1 R21 ES 020404-01A1	46,179
93.113	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10387 SUB	1,377
93.113	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10387 SUB MOD01	35,735
93.113	3600	SUNY	PO#R694299 AM03	32,258
93.113	3600	SWEDISH MED CTR	WU07136PO29932PAM05	-50
93.113	3600	UCLA-MEDICINE-CARDIOLOGY	1553 G MC571 AM02	14,692
93.113	3600	UNIV OF MARYLAND	Z036104 AM-A	102,415
93.113	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-13-183	16,249
93.113	3600	WEST VIRGINIA UNIVERSITY	12-240-UW MOD02	3,257
93.113	3650	UNIV OF CA DAVIS	SUB07004128WSU	49,990
93.121	3600	BENAROYA RSCH INST AT VIRGINIA MASON	FY110430100803A55933	20,197
93.121	3600	BENAROYA RSCH INST AT VIRGINIA MASON	FY13100801	11,909
93.121	3600	CASE WESTERN RESERVE UNIVERSITY	RES506610	9,016
93.121	3600	CASE WESTERN RESERVE UNIVERSITY	RES506610 AM01	20,680
93.121	3600	KAISER FOUNDATION RESEARCH INSTITUTE	U19DE022516-01	40,469
93.121	3600	NIH	UW BUD# 666754	21,578
93.121	3600	SEATTLE CHILDREN'S HOSPITAL	10509SUB	1,913
93.121	3600	SEATTLE CHILDREN'S HOSPITAL	10509SUB MOD01	37,319
93.121	3600	SEATTLE CHILDREN'S HOSPITAL	10575SUB AM01	297,923
93.121	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10332SUB	1

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93.121	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10705SUB MOD01	129,960
93.121	3600	THEO CHOCOLATE	A69335	37,701
93.121	3600	UNIV OF NORTH CAROLINA AT CHAPEL HILL	5-32965	68,575
93.121	3600	UNIV OF NORTH CAROLINA CHAPEL HILL	5-51223 AM06	1,303
93.121	3600	UNIVERSITY OF MINNESOTA	P001901001 AM01	-5,044
93.121	3600	UNIVERSITY OF MINNESOTA	P001901001 AM02	65,140
93.121	3600	UNIVERSITY OF MINNESOTA	P001901001AM01	174,519
93.121	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	36371535	64,903
93.135	3600	TEXAS A&M UNIVERSITY SYSTEM	99-S120037	11,335
93.136	3600	OREGON HEALTH & SCIENCE UNIVERSITY	SUBAWARD1001502UWAM01	41,514
93.142	3600	UCLA	2105 G HB431 AM05	8,972
93.142	3600	UCLA	2105 G NA299 AM01	18,408
93.142	3600	UCLA	2105 G NA299 AM02	129,647
93.142	3600	UCLA	2105 G NA299, AM02	122,580
93.142	3600	UCLA	UW BUD# 674319	30,145
93.143	3600	EDENSPACE SYSTEMS CORPORATION	2 R44 ES 020099-02	118,711
93.143	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00007683/2000107277	29,526
93.145	3600	FAMILY MEDICINE RESIDENCY OF IDAHO	A76088	9,249
93.145	3600	FAMILY MEDICINE RESIDENCY OF IDAHO	UW BUD# 674365	23,269
93.155	3600	NATIONAL RURAL HEALTH ASSOCIATION	UW BUD# 663174	5,380
93.155	3600	NATIONAL RURAL HEALTH ASSOCIATION	UW BUD# 666323	36,588
93.172	3600	ARIZONA STATE UNIVERSITY	11-436	-11,557
93.172	3600	ARIZONA STATE UNIVERSITY	11-436 AM05	6,565
93.172	3600	ARIZONA STATE UNIVERSITY	13-110	52,896
93.172	3600	ARIZONA STATE UNIVERSITY	UW BUD# 639361	398
93.172	3600	ARIZONA STATE UNIVERSITY	UW BUD# 639385	2,879
93.172	3600	ARIZONA STATE UNIVERSITY	UW BUD# 639452	-3,420
93.172	3600	EUROPEAN MOLECULAR BIOLOGY LAB-EBI	5U01HG00469504AM06SUBC	17,493

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93.172	3600	GROUP HEALTH RESEARCH INSTITUTE	2011119338	25,997
93.172	3600	GROUP HEALTH RESEARCH INSTITUTE	2012119951	244,406
93.172	3600	GROUP HEALTH RESEARCH INSTITUTE	2012120565	81,712
93.172	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10462SUB/10720SUB	885,532
93.172	3600	STANFORD UNIVERSITY	26366880-49414-D AM04	-27
93.172	3600	THE REGENTS OF UNIV OF CA-SANTA CRUZ	S0183592	165,018
93.172	3600	THE REGENTS OF UNIV OF CA-SANTA CRUZ	S0183592 AM01-REV	210,325
93.172	3600	UNIV NC CHAPEL HILL EPIDEMIOLOGY	5-51148 YEAR4#3	33,656
93.172	3600	UNIV OF ALASKA FAIRBANKS	UAF 11-0078 MOD02	166,170
93.172	3600	UNIV OF ALASKA FAIRBANKS	UAF110078MOD1FP13240	14,294
93.172	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	6145903/RFS2013076	79,413
93.172	3600	UNIVERSITY OF NORTH CAROLINA	5-32813	85,377
93.172	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-12-275	49,122
93.172	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-13-201	98,564
93.173	3600	FHCRC	0000719273	4,426
93.173	3600	FHCRC	0000749224	65,256
93.173	3600	NORTHWESTERN UNIVERSITY	SP0011426PROJ0003112AM	95,697
93.173	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	GOTOL0173A_UW/AM04	63,115
93.213	3600	BASTYR UNIVERSITY	H33B11-03 (4)	2,053
93.213	3600	BASTYR UNIVERSITY	H34B11-01 (3) AM02	374,646
93.213	3600	BASTYR UNIVERSITY	H34B11-01 MOD01	150,726
93.213	3600	BASTYR UNIVERSITY	H34B12-01 MOD01	37,428
93.213	3600	BASTYR UNIVERSITY	H34B12-02 MOD1	3,916
93.213	3600	BASTYR UNIVERSITY	H34B12-03 AM02	20,249
93.213	3600	BASTYR UNIVERSITY	H34B1201 (3) AM03	25,652
93.213	3600	BASTYR UNIVERSITY	H34B1207AM01PR1U19AT00	10,396
93.213	3600	GROUP HEALTH COOPERATIVE	2011115678	-242
93.213	3600	GROUP HEALTH COOPERATIVE	2012117881	40,668

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93.213	3600	GROUP HEALTH RESEARCH INSTITUTE	2012104196 MOD01	24,625
93.213	3600	GROUP HEALTH RESEARCH INSTITUTE	2013102482	5,461
93.213	3600	GROUP HEALTH RESEARCH INSTITUTE	2013102876	11,440
93.224	3600	PUBLIC HEALTH-SEATTLE & KING COUNTY	CHS2458	28,859
93.224	3600	SEATTLE-KING COUNTY DEPT PUBLIC HEALTH	CHS2923	27,564
93.226	3600	DHHS	UW BUD# 666859	3,879
93.226	3600	DUKE CLINICAL RESEARCH INSTITUTE	3035485	6,920
93.226	3600	DUKE UNIVERSITY	3035486 AM03	97,074
93.226	3600	INDIANA UNIVERSITY	PO# 1098155	55,926
93.226	3600	INDIANA UNIVERSITY	UW BUD# 664248	21,775
93.226	3600	KAISER FOUNDATION HEALTH PLAN OF GEORGIA	SUBCONTRACT AM03	43,717
93.226	3600	KAISER FOUNDATION HEALTH PLAN OF GEORGIA	SUBCONTRACT AM04	91,019
93.226	3600	NORTH CENTRAL EMS INSTITUTE	UW BUD# 666711	9,242
93.226	3600	NORTHWESTERN UNIVERSITY	60030497 UW AM01	13,751
93.226	3600	NORTHWESTERN UNIVERSITY	60031412 UW	17,240
93.226	3600	SEATTLE CHILDREN'S HOSPITAL	10327SUB	3,124
93.226	3600	UNIVERSITY OF CHICAGO	FP047367-B	21,363
93.226	3600	UNIVERSITY OF ILLINOIS, CHICAGO	FP049252-B	2,712
93.226	3600	UNIVERSITY OF NORTH CAROLINA	5-31352 AM02	20,632
93.226	3600	UNIVERSITY OF NORTH CAROLINA	5-51352	-585
93.226	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	0007879A AM02	64,079
93.231	3600	ALASKA NATIVE TRIBAL HEALTH CONSORTIUM	ANTHC-10-P-27690 MOD03	2,932
93.231	3600	BLACK HILLS CTR FOR AMERICAN INDIAN HLTH	NARCHVIU26IHS30041303A	25,777
93.231	3600	BLACK HILLS CTR FOR AMERICAN INDIAN HLTH	U26IHS300107/04 AM2	12,539
93.231	3600	NORTHWEST INDIAN COLLEGE	NWIC 24213 104 22000	44,613
93.241	3600	WASHINGTON STATE DEPT OF HEALTH	N19137	3,395
93.241	3600	WASHINGTON STATE DEPT OF HEALTH	N19612	6,941
93.242	3600	BOSTON MEDICAL CENTER	2769	20,426

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93.242	3600	CENTER FOR HEALTH POLICY	12-NIH-1091 AM01	114,522
93.242	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	#10328SUB	-4,081
93.242	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10328SUB MOD01	26,096
93.242	3600	DUKE UNIVERSITY	10-NIH-1015/MOD02	8,577
93.242	3600	HEALTHPARTNERS RESEARCH FOUNDATION	A06-102 DIAMOND, MOD05	35,834
93.242	3600	NEW YORK UNIVERSITY	070925PROJ847250AM04	-610
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	10001SUB MOD05	8,789
93.242	3600	SEATTLE CHILDREN'S HOSPITAL	10728SUB	5,671
93.242	3600	SIBCR	TD13-TD1-3-SIBCR	14,291
93.242	3600	THE JOHNS HOPKINS UNIVERSITY	JHU PO 2001624393	11,719
93.242	3600	TUFTS UNIVERSITY	HS1778 AM02	54,747
93.242	3600	UC DAVIS	0800094 AM04	25,611
93.242	3600	UC DAVIS	SUB0800037 AM05	136,975
93.242	3600	UC DAVIS	SUB0800044 AM05	109,414
93.242	3600	UCLA SCHOOL OF DENTISTRY	1350GNA655AM06	442
93.242	3600	UNIVERSITY OF NAIROBI	1 R25 MH 099132-01	68,456
93.242	3600	WASHINGTON STATE UNIVERSITY	119898 G003167 AM01	127,226
93.242	3600	YALE UNIVERSITY	M10A10818(A07872) AM02	56,738
93.242	3600	YALE UNIVERSITY	M13A11468 (A08970)	7,687
93.242	3650	CHILDREN'S HOSPITAL BOSTON	505700	93,208
93.242	3650	ROCKEFELLER UNIVERSITY	5R01MH04125625	44,390
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO# CD AM01	23,133
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#AB	18,380
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#AC	140,417
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#AD	40,028
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#AE	33,025
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#AF	76,267
93.243	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#CC	17,272

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93.243	3600	KING COUNTY DCHS	T03286T	-2,205
93.243	3600	KING COUNTY DCHS	T03286T (516838 AM04)	5,383
93.243	3600	KING COUNTY DCHS	T03286T (516838 AM05)	16,723
93.243	3600	KING COUNTY DCHS	T03353T	17,093
93.243	3600	KING COUNTY DCHS	T03353T/518361AM1	62,875
93.243	3600	KING COUNTY DEPT OF COMM & HUMAN SERV	T03342T AM01	80,753
93.243	3600	NATIONAL COUNCIL	UW BUD# 661873	31,430
93.243	3600	OREGON HEALTH SCIENCES UNIVERSITY	1002661_ADAI	35,530
93.243	3600	OREGON HEALTH SCIENCES UNIVERSITY	GPHPM0144-ADAI AM05	14,152
93.243	3600	WA ST DSHS	1265-62496 TO# AG	10,629
93.243	3600	WA STATE DSHS	1265-46908 AM01	22,170
93.243	3600	YOUTH SUICIDE PREVENTION PROGRAM	1 U79 SM 060393-01	10,079
93.243	3600	YOUTH SUICIDE PREVENTION PROGRAM	5U79SM060393-02 AM01	68,287
93.243	3650	CLARK COUNTY	2011A14	25,157
93.243	3650	JUSTICE RESOURCE INSTITUTE	WSU001170	28,393
93.243	3650	JUSTICE RESOURCE INSTITUTE	WSU002569	34,009
93.243	3650	SPOKANE CNTY	WSU001130	29,598
93.262	3600	UCLA EPIDEMIOLOGY	1935 G PA501	1,688
93.262	3600	UCLA EPIDEMIOLOGY	1935 G PA501 AM01	12,457
93.262	3600	UNIVERSITY OF CINCINNATI	005180AM05POL124500062	21,321
93.262	3650	RSCH FNDN SUNY-BUFFALO FED	R742620	4,115
93.262	3700	CPWR-Wkplc Solutions 11-13	3003-011-02 Amend #1	32,756
93.273	3600	GROUP HEALTH RESEARCH INSTITUTE	2011120264	1,390
93.273	3600	GROUP HEALTH RESEARCH INSTITUTE	2012121499	7,350
93.273	3600	OREGON HEALTH & SCIENCE UNIVERSITY	1002432_UW	21,578
93.273	3600	PALO ALTO INSTITUTE FOR RSRCH & EDUCATIO	HAX0005-01	-2,001
93.273	3600	PENNSYLVANIA STATE UNIVERSITY	4332-UW-DHHS-2529AM03	222,481
93.273	3600	RUTGERS UNIVERSITY	4046 MOD04	75,850

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93.273	3600	SEATTLE CHILDREN'S HOSPITAL RSCH FNDN	10181SUB AM02	36,049
93.273	3600	SIBCR	JPAPOST19FLAHERTY04	564
93.273	3600	UCSF CONTROLLER'S OFFICE	6985SC AM01	13,843
93.273	3600	UNIVERSITY OF HOUSTON	R-12-0031 AM02	89,125
93.273	3600	UNIVERSITY OF HOUSTON	R-12-0031 G102004	4,583
93.273	3600	UNIVERSITY OF ILLINOIS AT CHICAGO	2011-00552-01-01	-785
93.276	3750	Kittitas County Community Health and Safety Network	Memorandum of Understa	1,470
93.279	3000	WESTAT-NIDA	B01A10	75,087
93.279	3000	WESTAT-NIDA	B02B20	42,580
93.279	3600	BAYLOR COLLEGE OF MEDICINE	5600291023	8,584
93.279	3600	ERNEST GALLO CLINIC & RESEARCH CENTER	32-21-1AM1	60,822
93.279	3600	FATHER FLANAGAN'S BOYS' HOME	MOD02PRIME5R01DA025651	383,696
93.279	3600	FORDHAM UNIVERSITY	PRIME1R25DA03160802AM0	9,398
93.279	3600	NATIONAL DEVELOPMENT & RESEARCH INST.	NDRI PROJECT 618C	13,157
93.279	3600	NORTHWEST INDIAN COLLEGE	#24215 MOD03	150,001
93.279	3600	NORTHWEST INDIAN COLLEGE	NWIC# 24214 MOD03	75,897
93.279	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCIEN	31603 AMD05	-34
93.279	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCIEN	37223 AM01	1,941
93.279	3600	UNIVERSITY OF ARKANSAS FOR MEDICAL SCIEN	37223 AM02	30,852
93.279	3600	UNIVERSITY OF CALIFORNIA - UCLA	1935 G JB131 AM05	20,720
93.279	3600	UNIVERSITY OF MARYLAND	SR00002142 AM01	44,240
93.279	3600	UNIVERSITY OF PENNSYLVANIA	559642	59,931
93.279	3600	VIRGINIA COMMONWEALTH UNIVERSITY	PT103743-SC101985 AM03	17,876
93.279	3600	VIRGINIA COMMONWEALTH UNIVERSITY	PT103743-SC101985 AM04	24,506
93.279	3650	RESEARCH TRIANGLE INSTITUTE	13400212645	22,858
93.279	3650	UNIV OF CA LOS ANGELES	2000GPD263	4,690
93.279	3650	UNIV OF CA LOS ANGELES	2000GPD269	1,955
93.283	3600	DEPARTMENT OF HEALTH	N19349 AM02	370,985

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93.283	3600	IDAHO DEPT OF HEALTH AND WELFARE	HC791800	23,223
93.283	3600	PROGRAM FOR APPROPRIATE TECH IN HEALTH	CDC 1654-01-05432-SUB	11,992
93.283	3600	PROGRAM FOR APPROPRIATE TECH IN HEALTH	CDC.1654-02-05840-SUB	17,988
93.283	3600	SAINT LOUIS UNIVERSITY	5U84DD000512-03	105
93.283	3600	UTAH DEPARTMENT OF HEALTH	101820 AM02	27,715
93.283	3600	UTAH DEPARTMENT OF HEALTH	101820 AM03	16,988
93.286	3600	INSON MEDICAL SYSTEMS, INC.	UW OSP #A60605 AM02	-9,681
93.286	3600	LODESPIN LABS LLC	A66450	19,628
93.286	3600	PATH	NIH13740505450SUBAM02	143,111
93.286	3600	PROGRAM FOR APPROPRIATE TECH IN HEALTH	NIH17290105716SUBAM01	19,564
93.286	3600	UNIVERSITY OF CALIFORNIA	6860120 MOD04	39,074
93.286	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00007673 AM01	156,230
93.286	3600	WEST VIRGINIA UNIVERSITY	06-674-UW AM03	8,710
93.286	3600	XIGEN LLC	UW BUD# 666340	24,142
93.301	3600	FHCRC	0000723870	-489
93.301	3600	FHCRC	0000750946	70,240
93.307	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	C09-11 AM04 (PO 21314)	26,833
93.310	3600	FHCRC	0000750748 AM01	212,121
93.310	3600	FHCRC	680309	-702
93.310	3600	FHCRC	723894PRIME5R01HG00581	1,545
93.310	3600	ROCKEFELLER UNIV	5 U54 RR 022220-07AM01	4,441
93.310	3600	ROCKEFELLER UNIV	8 U54 GM 103511-08	103,421
93.310	3600	UNIVERSITY OF NAIROBI	PRIME #1R24TW008907-02	6,674
93.310	3600	UNIVERSITY OF NAIROBI	PRIME #5R24TW008907-03	121,169
93.350	3600	BOSTON UNIVERSITY	9500301025	5,000
93.359	3600	UIC	E4915 491423 AM	43,046
93.361	3600	BAYLOR COLLEGE OF MEDICINE	101739866	22,307
93.361	3600	BAYLOR COLLEGE OF MEDICINE	4600412829-AM05	19,112

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93.361	3600	DANA-FARBER CANCER INSTITUTE	1215005R01NR00969205	98,623
93.361	3600	DUKE UNIVERSITY	2039925 AM03	5,661
93.361	3600	MASSACHUSETTS GENERAL HOSPITAL	217966 AM02	24,421
93.361	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10171SUB MOD03	189,618
93.361	3600	TALARIA, INC.	GC1 A71895	21,427
93.361	3600	TALARIA, INC.	GC1 A71975	22,385
93.361	3600	THE JOHNS HOPKINS UNIVERSITY	2001433044 AM01	11,087
93.361	3600	UNIVERSITY OF MISSOURI-COLUMBIA	C00036084-1 AM02	1,848
93.361	3600	UNIVERSITY OF MISSOURI-COLUMBIA	C00039341-2AM01	49,225
93.389	3600	BOSTON UNIVERSITY	9500300567	-469
93.389	3600	HARVARD MEDICAL SCHOOL	1497343865420583AM01	3,892
93.389	3600	HARVARD MEDICAL SCHOOL	151208.0009 AM01	80,605
93.389	3600	OCEAN NANO TECH, LLC	PRIME9R44RR02801902	-6,978
93.389	3600	SEATTLE CHILDREN'S HOSPITAL	10037SUB AM03	24,028
93.389	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	5798SC AM03	720
93.389	3650	UNIV OF CT FED FLOW	UCHC6	15,393
93.393	3600	BECKMAN RESH. INST. OF THE CITY OF HOPE	22390.914991.6698	1,174
93.393	3600	DARTMOUTH COLLEGE	901PRIMERO1CA149365AM0	36,903
93.393	3600	FHCRC	0000675045	-124
93.393	3600	FHCRC	0000698662	-307
93.393	3600	FHCRC	0000718399	1,316
93.393	3600	FHCRC	0000718419 AM01	21,163
93.393	3600	FHCRC	0000719489 AMO2	7,819
93.393	3600	FHCRC	0000721527	62,579
93.393	3600	FHCRC	0000721527 AM01	130,591
93.393	3600	FHCRC	0000722644	27,208
93.393	3600	FHCRC	0000722735	4,305
93.393	3600	FHCRC	0000722798	5,340

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93.393	3600	FHCRC	0000723009AM01PRIMECA1	4,461
93.393	3600	FHCRC	0000724377	3,022
93.393	3600	FHCRC	0000729607 AMEND 1	17,345
93.393	3600	FHCRC	0000732979	38,499
93.393	3600	FHCRC	0000745471	66,785
93.393	3600	FHCRC	0000751523	32,499
93.393	3600	FHCRC	0000752844	26,702
93.393	3600	FHCRC	0000752886	23,642
93.393	3600	FHCRC	0000753456PRIMECA13424	14,695
93.393	3600	FHCRC	0000755014	80,194
93.393	3600	FHCRC	0000755789	59,571
93.393	3600	FHCRC	0000756002	7,653
93.393	3600	FHCRC	0000756133	25,533
93.393	3600	FHCRC	0000756402	13,083
93.393	3600	FHCRC	0000760218	1,030,027
93.393	3600	FHCRC	0000765835	27,874
93.393	3600	FHCRC	0000765864	16,556
93.393	3600	FHCRC	0000770654	36,019
93.393	3600	FHCRC	723684	7,708
93.393	3600	FHCRC	756966	2,586
93.393	3600	FHCRC	SA1200866	1,576
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000719995 AM01	-252
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000732978	54,938
93.393	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000736791	8,064
93.393	3600	GROUP HEALTH COOPERATIVE	2011120746	-35
93.393	3600	GROUP HEALTH COOPERATIVE	2012113476	14,756
93.393	3600	GROUP HEALTH COOPERATIVE	CA154292-02-UW	180,997
93.393	3600	GROUP HEALTH RESEARCH INSTITUTE	CA154292-UW MOD02	62,253

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93.393	3600	GROUP HEALTH RESEARCH INSTITUTE	PSA-201109-LOWRY	-516
93.393	3600	H. LEE MOFFITT CANCER CENTER & RSCH INST	10-15885-03-01	23,641
93.393	3600	KAISER FOUNDATION HEALTH PLAN COLORADO	08JDEAR-01-UW AM06	67,453
93.393	3600	KAISER FOUNDATION HEALTH PLAN COLORADO	PRIME 5P20CA137219-05	10,580
93.393	3600	MASSACHUSETTS GENERAL HOSPITAL	217156AM01U01CA1529260	-14,289
93.393	3600	TALARIA, INC.	4R42CA14187502AM03	209,127
93.393	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	217156 AM04	205,546
93.393	3600	UNIVERSITY OF HAWAII	KA0018	-795
93.393	3650	IA ST UNIV FED FLOW	4304626A	53,926
93.393	3650	VANDERBILT UNIV-FED FLOW	VUMC38944	99,375
93.393	3650	WASHINGTON UNIV IN ST LOUIS	WU11229	72,481
93.393	3650	WASHINGTON UNIV IN ST LOUIS	WU1130	-1,057
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1120	10,000
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1170	10,000
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1345	9,998
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1347	55,973
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1439	12,741
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1454 AM02	166,531
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1454 AM03	8,775
93.394	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	ACRIN6685	6,450
93.394	3600	BROAD INSTITUTE, INC.	6610200-5500000433	56,453
93.394	3600	BROAD INSTITUTE, INC.	6610202-5500000433	162,956
93.394	3600	DUKE UNIVERSITY	303-5419 AM03	113,753
93.394	3600	FHCRC	0000712116	-126
93.394	3600	FHCRC	0000720573	-64
93.394	3600	FHCRC	0000746904	29,285
93.394	3600	FHCRC	0000748868	3,396

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93.394	3600	FHCRC	0000753503	7,043
93.394	3600	FHCRC	0000769185	6,189
93.394	3600	FHCRC	0000771917	3,204
93.394	3600	FHCRC	SUBAWARD #0000739078	9,800
93.394	3600	KITWARE, INC.	K000683-00-S01 MOD01	88,439
93.394	3600	THE UNIVERSITY OF MICHIGAN	3001942556 AM04	189,893
93.394	3600	THE UNIVERSITY OF MICHIGAN	3001942556AM02	-8,153
93.394	3600	UNIVERSITY OF IOWA	W000420810PO1001081261	89,747
93.394	3600	WEST VIRGINIA UNIVERSITY	01-335-UW AM03	35,983
93.395	3600	BOSTON MEDICAL CENTER	1920 AM01	2,045
93.395	3600	CHILDRENS HOSP OF PHILADELPHIA	FP13013_SUB310_01	270,823
93.395	3600	COMPLIMENT CORP C/O DARRICK CENTER	CHECK #6625	45,141
93.395	3600	FHCRC	0000707701 AM02	-11,264
93.395	3600	FHCRC	0000718704 AM02	7,682
93.395	3600	FHCRC	0000719687	36,125
93.395	3600	FHCRC	0000719690	1,855
93.395	3600	FHCRC	0000719697	1,366
93.395	3600	FHCRC	0000719699	6,001
93.395	3600	FHCRC	0000723010	99,956
93.395	3600	FHCRC	0000726086	-618
93.395	3600	FHCRC	0000727390	9,629
93.395	3600	FHCRC	0000730890	3,333
93.395	3600	FHCRC	0000740783	67,070
93.395	3600	FHCRC	0000740885	12,027
93.395	3600	FHCRC	0000741697 AM01	80,201
93.395	3600	FHCRC	0000754340	13,117
93.395	3600	FHCRC	0000754342	192,115
93.395	3600	FHCRC	0000754343	25,496

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93.395	3600	FHCRC	0000754348	52,679
93.395	3600	FHCRC	0000755496	7,709
93.395	3600	FHCRC	0000755851	92,414
93.395	3600	FHCRC	0000756738	689,508
93.395	3600	FHCRC	0000764733	28,847
93.395	3600	FHCRC	0000767091	12,219
93.395	3600	FHCRC	0000768445	25,299
93.395	3600	FHCRC	0000768693	7,146
93.395	3600	FHCRC	0000769885PR5P01CA0789	19,991
93.395	3600	FHCRC	SA1200869	217
93.395	3600	FHCRC	SA1300990	11,549
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000731871 AM02	54,540
93.395	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000736638	50,351
93.395	3600	JOHN WAYNE CANCER INSTITUTE	2 P01 CA 029605 AM05	15,432
93.395	3600	NIH	FP13013_SUB310_02	79,108
93.395	3600	UNIVERSITY OF MICHIGAN	F025217 AM03	19,151
93.395	3600	UNIVERSITY OF MICHIGAN	F025217AM02	14,373
93.396	3600	BROAD INSTITUTE, INC.	6610210-5500000403	91,963
93.396	3600	BROAD INSTITUTE, INC.	6610212-5500000403	218,159
93.396	3600	FHCRC	0000765836	71,931
93.396	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000734512AM03	38,742
93.396	3600	INDIANA UNIVERSITY	IN-4685210-UW	57,292
93.397	3600	FHCRC	00006783505U54CA118647	-23,149
93.397	3600	FHCRC	0000693670	-3,795
93.397	3600	FHCRC	0000705880	-1
93.397	3600	FHCRC	0000713367	-713
93.397	3600	FHCRC	0000722072	943
93.397	3600	FHCRC	0000723926	-214

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.397	3600	FHCRC	0000727277	10,005
93.397	3600	FHCRC	0000732948 AM01	87,784
93.397	3600	FHCRC	0000732949 AMD01	33,622
93.397	3600	FHCRC	0000732953 AM01	53,365
93.397	3600	FHCRC	0000732964 AM01	90,129
93.397	3600	FHCRC	0000732976 AM01	9,267
93.397	3600	FHCRC	0000740161	5,346
93.397	3600	FHCRC	0000740162PRIMEP30CA01	3,174
93.397	3600	FHCRC	0000740163	18,404
93.397	3600	FHCRC	0000740172	27,226
93.397	3600	FHCRC	0000740180	7,844
93.397	3600	FHCRC	0000740224 AM01	12,492
93.397	3600	FHCRC	0000740275AM01	14,510
93.397	3600	FHCRC	0000741523	4,748
93.397	3600	FHCRC	0000742374	-2,068
93.397	3600	FHCRC	0000743437	100,392
93.397	3600	FHCRC	0000743847	71,466
93.397	3600	FHCRC	0000745456	19,650
93.397	3600	FHCRC	0000746731	24,596
93.397	3600	FHCRC	0000747542	43,070
93.397	3600	FHCRC	0000749880	26,362
93.397	3600	FHCRC	0000751166 AM01	283,800
93.397	3600	FHCRC	0000751172 AM01	119,671
93.397	3600	FHCRC	0000754736	100,187
93.397	3600	FHCRC	0000754780	108,388
93.397	3600	FHCRC	0000756737 AM01	59,330
93.397	3600	FHCRC	0000764696	32,195
93.397	3600	FHCRC	0000764698	35,380

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.397	3600	FHCRC	0000764741	57,801
93.397	3600	FHCRC	0000764751	76,506
93.397	3600	FHCRC	0000764759	87,784
93.397	3600	FHCRC	0000764785	94,985
93.397	3600	FHCRC	0000764788	54,616
93.397	3600	FHCRC	0000764790	49,888
93.397	3600	FHCRC	0000764793	8,850
93.397	3600	FHCRC	0000770557	30,741
93.397	3600	FHCRC	0000770591	3,021
93.397	3600	FHCRC	0000770593	24,537
93.397	3600	FHCRC	0000770789	5,690
93.397	3600	FHCRC	0000771165	18,850
93.397	3600	FHCRC	0000772447	2,980
93.397	3600	FHCRC	000770571	1,781
93.397	3600	FHCRC	7400429	5,164
93.397	3600	FHCRC	PO # 741052	25,900
93.397	3600	FHCRC	SA #0000726138	3,408
93.397	3600	FHCRC	UW BUD# 663477	23,277
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000722023 AM01	1,638
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000726266	27,441
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000732954AM02	121,650
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000732959	67,926
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000732962 AM01	47,240
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000732963 AM01	43,487
93.397	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000740164	107
93.397	3600	GROUP HEALTH RESEARCH INSTITUTE	2011120266	463
93.397	3600	GROUP HEALTH RESEARCH INSTITUTE	2012121498	4,804
93.397	3600	RAPID CITY REGIONAL HOSPITAL	5 U54 CA 42157-3UWASH	8,239

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.397	3600	UNIVERSITY OF CALIFORNIA, DAVIS	200912673-03 AM04	23,253
93.397	3600	UNIVERSITY OF CALIFORNIA, DAVIS	200912673-03, AM002	16,112
93.399	3600	FHCRC	0000716784	725
93.399	3600	FHCRC	0000724148 AM01	8,505
93.399	3600	FHCRC	0000724388	6,504
93.399	3600	FHCRC	0000724388 AM02	22,768
93.399	3600	FHCRC	0000725325	1,855
93.399	3600	FHCRC	0000749686	21,601
93.399	3600	FHCRC	0000749691	44,983
93.399	3600	FHCRC	0000749698	58,415
93.399	3600	FHCRC	0000755713	30,130
93.399	3600	FHCRC	0000755735	100,008
93.399	3600	FHCRC	0000757213	24,643
93.399	3600	FHCRC	0000757559	44,978
93.399	3600	FHCRC	0000757560	47,218
93.399	3600	FHCRC	0000772866	9,787
93.399	3600	FHCRC	0000772892	3,708
93.399	3600	FHCRC	717389 AM01	6,456
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000721492	-1,902
93.399	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000725835 AM01	37,769
93.399	3600	NSABP FNDN	UW-YR27	26,238
93.399	3600	SIBCR	PS19-SUN-S1SIBCR	6,291
93.399	3600	SIBCR	PS19LIUG2SIBCR	3,594
93.399	3600	UNIVERSITY OF MICHIGAN	3002149613	79,249
93.399	3600	UNIVERSITY OF MICHIGAN	3002149613 AM01	226,992
93.399	3600	UNIVERSITY OF MICHIGAN	3002149613 AM02	20,481
93.399	3600	UNIVERSITY OF MICHIGAN	3002149613 AM03	99,630
93.411	3600	WASHINGTON STATE DEP OF HEALTH	N18759	-815

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93.416	3600	YAKIMA VALLEY FARM WORKERS CLINIC	CHECK 118970 & 3136705	56,369
93.420	3600	FENWAY COMMUNITY HEALTH	UWAS2	42,594
93.420	3600	FENWAY COMMUNITY HEALTH	UWAS2, AMEND 2	160,328
93.441	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	C12-05-PO#20989AM01	23,465
93.441	3600	NW PORTLAND AREA INDIAN HEALTH BOARD	C13-24 PO#22325	42,289
93.507	3600	WA ST DEPT OF HEALTH	N18758 AM03	12,227
93.507	3600	WA ST DEPT OF HEALTH	N18758 AMENDMENT#2	4,374
93.508	3600	UNITED INDIANS OF ALL TRIBES FOUNDATION	A71880 MOD02	32,678
93.556	3700	IDHW-ICPC 2010-11	1C087200 Amend #	175,370
93.558	5400	WDC09	7461	-1,969
93.564	3600	DSHS	1165-43891 AM02	152,953
93.575	3650	SCHOOLS OUT WA	WSU002129	66,961
93.575	3650	SCHOOLS OUT WA	WSU002144	63,570
93.575	3650	SCHOOLS OUT WA	WSU002145	33,699
93.600	3650	CHILDREN'S HOME SOC WA	WSU002132	2,433
93.600	6990	Department of Health & Human Services	100-3446	-1,272
93.600	6990	Olympic ESD 114	145-161-1N46	120,443
93.600	6990	Olympic ESD 114	145-161-1N47	37,963
93.600	6990	Olympic ESD 114	145-161-1N48	80,865
93.600	6990	Puget Sound Educational Service District	LOA #7873	178,312
93.600	6990	Puget Sound Educational Service District	LOA #7874	128,921
93.600	6990	Puget Sound Educational Services District	1112 HEADSTART	35,951
93.600	6990	Puget Sound Educational Services District	1213 HEADSTART	70,990
93.600	6990	Puget Sound ESD Headstart	570-265-1550	177,963
93.605	3600	CHILDREN'S HOME SOCIETY OF WASHINGTON	UW BUD# 665722	46,980
93.610	3600	INST FOR CLINICAL SYSTEMS IMPROVEMENT	01-0113-UWAIMS	294,103
93.610	3600	UNIVERSITY OF NEW MEXICO	3RJ32	169,357
93.652	3600	CENTER FOR CHILDREN & YOUTH JUSTICE	SC3002080525	16,131

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.652	3600	CENTER FOR CHILDREN & YOUTH JUSTICE	SC3002547822	25,627
93.652	3600	CHILDREN'S HOME SOCIETY OF WASHINGTON	UW BUD# 667212	15,284
93.652	3600	CHILDREN'S HOME SOCIETY OF WASHINGTON	UW BUD# 667368	3,047
93.658	3700	IDHW Schol Prg 2010-11	KC244100 Amend #1	104,069
93.658	3700	IDHW-PRIDE & RPPD	KC247700 RFP KCB1103	118,102
93.658	3700	IDHW-PRIDE Stwd Prog 12-13	KC247700 Amend #3	384,158
93.658	3700	IDHW-RPM Hub 1 2012-13	KC247400 Amend #3	120,552
93.658	3700	IDHW-RPR & RPM Hub 1	KC247400 RFP KCB1001	19,403
93.658	3700	IDHW-RPR & RPM Hub 2	KC247500 RFP KCB1001	29,342
93.658	3700	IDHW-RPR & RPM Hub 3	KC247600 RFP KCB1001	19,230
93.658	3700	IDHW-RPR Hub 2 2012-13	KC247500 Amend #3	105,864
93.658	3700	IDHW-RPR Hub 3 2012-13	KC247600 Amend #3	141,737
93.670	3600	OREGON SOCIAL LEARNING CENTER (OSLC)	UW BUD# 664496	35,054
93.670	3650	SPOKANE REGIONAL HEALTH DISTRI	C2002256082	20,868
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	1409	41,491
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING	6687	3,511
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK	4221,RTOG2701	1,040
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	4221,RTOG2701	6,897
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	ACRIN 6688	5,636
93.701	3600	AMERICAN COLLEGE OF RADIOLOGY IMAGING NETWORK (ACRIN)	SUBCONTRACTNO4221ACRIN	-6,869
93.701	3600	BAYLOR COLLEGE OF MEDICINE	SHOPPINGCART101098627	-3,970
93.701	3600	COLUMBIA UNIVERSITY	2ACCT538156PO580188AME	2,737
93.701	3600	DANA-FARBER CANCER INSTITUTE	SUBAWARD 2815108	61,026
93.701	3600	DANA-FARBER CANCER INSTITUTE, INC.	2802302AMENDMENTNO1	-141
93.701	3600	FHCRC	0000721274	38,074
93.701	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000721837	353

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93.701	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	23789-15	26,080
93.701	3600	GROUP HEALTH COOPERATIVE	2010114789	2,902
93.701	3600	GROUP HEALTH COOPERATIVE	2010116377	3,726
93.701	3600	GROUP HEALTH RESEARCH INSTITUTE	PSA201207POCOBELLIREIN	3,008
93.701	3600	JOHN WAYNE CANCER INSITUTE (JWCI)	2 PO1 CA029605	-907
93.701	3600	JOHNS HOPKINS UNIVERSITY	2000784427	181,516
93.701	3600	MOREHOUSE SCHOOL OF MEDICINE	325011.300001.80180	1,771,141
93.701	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9003774-06S2NW	40,825
93.701	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9003774_06S1_UW	3,818
93.701	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AFAMP0076ST-UW	5,831
93.701	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	9003774_06S2_UW	3,140
93.701	3600	OREGON HEALTH AND SCIENCE UNIVERSITY	GVGTI0101UOFWNMAIZELS	31,561
93.701	3600	OREGON STATE UNIVERSITY	P0304A-A	21,532
93.701	3600	PUBLIC HEALTH FNDN ENTERPRISES, INC	2324.002 AWARE	10,377
93.701	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10302SUB	35,707
93.701	3600	SIBCR	BJ18BL3ARRASIBCR	10,462
93.701	3600	SIBCR	JPAPOBJ18BAKER2ARRA	4,185
93.701	3600	SOCIAL SCIENTIFIC SYSTEMS INC	CRB-DCR01-09-00291	69,901
93.701	3600	THE UNIVERSITY OF TEXAS	0007224EAMENDMENTNO1	16,311
93.701	3600	THE UNIVERSITY OF TEXAS	0007224EAMENDMENTNO5	2,718
93.701	3600	UCSF CONTROLLER'S OFFICE	7093SC	15,050
93.701	3600	UNIVERSITY OF CALIFORNIA, LOS ANGELES	0125 G NA553	-1,319
93.701	3600	UNIVERSITY OF IOWA	W000219330	-80
93.701	3600	UNIVERSITY OF KANSAS CENTER FOR RESEARCH	FY2011-046	987
93.701	3600	UNIVERSITY OF MIAMI	M165155	1,013
93.701	3600	UNIVERSITY OF PENNSYLVANIA	555449	1,889
93.701	3600	UNIVERSITY OF VIRGINIA	ZC10075-139369	14,307
93.701	3600	UNIVERSITY OF VIRGINIA	ZC10075-139370	18,153

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93.701	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC35940AMENDMENTNO1	23,830
93.701	3650	SYRACUSE UNIV	2363902331S01	3,178
93.715	3600	ACADEMYHEALTH	UW BUD# 203859	110
93.719	3600	HEALTHSHARE MONTANA	CHECK#1902	195,273
93.719	3600	ONEHEALTHPORT	90HT0019/01-05	68,414
93.724	3600	PUBLIC HEALTH - SEATTLE AND KING COUNTY	T03288T	-130
93.724	3600	SEATTLE-KING COUNTY	D40394D HEAL 1590	-1,439
93.724	3600	SEATTLE-KING COUNTY	D40447D	79
93.727	3600	INLAND NORTHWEST HEALTH SERVICES	2997	135,097
93.727	3700	BCIN-Survey 2011	Subaward # 3199	540
93.728	3600	THE UNIVERSITY OF TEXAS HEALTH	0007512G (PROJECT 1)	184,201
93.728	3600	UNIVERSITY OF ILLINOIS	2010-03958-09	262,399
93.778	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#CA	127,111
93.778	3600	WA ST HEALTHCARE AUTHORITY	K590 AM01	87,693
93.789	3600	UNIVERSITY OF MARYLAND	PO# SR00001218 MOD03	-12,648
93.789	3600	UNIVERSITY OF MARYLAND	SR00002171 AM02	96,738
93.824	3600	MONTANA STATE UNIVERSITY - AHEC	G227-12-W3750 AM01	29,098
93.824	3600	MONTANA STATE UNIVERSITY - AHEC	G267-10-W2821 AM01	-1,388
93.824	3600	UNIV OF ALASKA ANCHORAGE	PO459307	16,093
93.824	3600	UNIVERSITY OF ALASKA ANCHORAGE	PO449619	13,432
93.837	3600	AXIO RESEARCH CORP	NHL243-01	299,117
93.837	3600	AXIO RESEARCH CORPORATION	UW BUD# 630548	78,382
93.837	3600	AXIO RESEARCH CORPORATION	UW BUD# 630629	3,001
93.837	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY110420189104A55926	-75,014
93.837	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	5R01HL09455503AM02	3
93.837	3600	BETH ISRAEL DEACONESS MEDICAL CENTER	5R01HL09455504AM04	446,342
93.837	3600	BOSTON UNIVERSITY	9500240921	-624
93.837	3600	BOSTON UNIVERSITY	9500301065	20,994

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93.837	3600	BOSTON UNIVERSITY MEDICAL CAMPUS	4500000679 AM02	57,809
93.837	3600	BRIGHAM AND WOMEN'S HOSPITAL	105963 AM03	67,826
93.837	3600	BRIGHAM AND WOMEN'S HOSPITAL	UW BUD# 667079	13,554
93.837	3600	CASE WESTERN RESERVE UNIVERSITY	RES507061AM01PRIMEHL10	38,893
93.837	3600	CHILDREN'S HOSPITAL & RSCH CTR OAKLAND	12_8044_11.12_6	476,386
93.837	3600	CHILDREN'S HOSPITAL & RSCH CTR OAKLAND	12_8044_11.12_6 AM01	14
93.837	3600	CHILDRENS HOSPITAL AND REGIONAL MED CTR	10144SUB/AMD02	17,943
93.837	3600	DUKE UNIV	303-6869 AM03	312
93.837	3600	DUKE UNIVERSITY	203-9990 AM01	-11,243
93.837	3600	DUKE UNIVERSITY	203-9990 AM02	95,342
93.837	3600	DUKE UNIVERSITY	303-1586 AM05	85,979
93.837	3600	FHCRC	0000682535 AM01	-15,049
93.837	3600	FHCRC	0000698174	-666
93.837	3600	FHCRC	00007212130	-18,607
93.837	3600	FHCRC	0000732366 AM01	5,458
93.837	3600	FHCRC	0000744295	179,391
93.837	3600	FHCRC	0000749576	186,180
93.837	3600	FHCRC	0000772726	34,786
93.837	3600	GROUP HEALTH RESEARCH INSTITUTE	2012107395 MOD02	26,194
93.837	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-113954 AM06	1,070
93.837	3600	INSILICOS LLC	2R44HL08357803A2SUB1MO	87,401
93.837	3600	INSILICOS LLC	2R44HL08357803A2SUB2MO	61,833
93.837	3600	JOSLIN DIABETES CENTER	SUB2_HL110400	78,836
93.837	3600	NEW YORK UNIVERSITY	1001073P26C10500NYUPG1	37,396
93.837	3600	NIH	UW BUD# 661551	73
93.837	3600	NIH	UW BUD# 667049	39,365
93.837	3600	NIH	UW BUD# 667073	17,196
93.837	3600	NORTHWESTERN UNIVERSITY	60028536 UW AM01	1,629

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93.837	3600	NORTHWESTERN UNIVERSITY	60029331 UW AMO1	19,657
93.837	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GPEDC0036A SAHN AM04	47,523
93.837	3600	PUGET SOUND BLOOD CTR	976-UW-2013	9,040
93.837	3600	SEATTLE CHILDREN'S HOSPITAL RSCH FNDN	10693SUB MOD02	192,045
93.837	3600	SEATTLE CHILDREN'S HOSPITAL RSCH FNDN	PO#10361SUB	25,119
93.837	3600	SEATTLE INSTITUTE FOR CARDIAC RESEARCH	5U01HL08970903SICR04RE	57,152
93.837	3600	SIBCR	JPAPOSM58SMITN4SIBCR	8,245
93.837	3600	THE TRUSTEES OF COLUMBIA UNIVERSITY	8 (GG006750)	55,212
93.837	3600	THE UNIVERSITY OF IOWA	1000943128 AM01	58,133
93.837	3600	THE UNIVERSITY OF PENNSYLVANIA	555084	-680
93.837	3600	THE UNIVERSITY OF PENNSYLVANIA	556790	-10,335
93.837	3600	THE UNIVERSITY OF PENNSYLVANIA	558895	123,875
93.837	3600	UC DAVIS	201222606-01 AM01	34,655
93.837	3600	UNIV OF KANSAS MEDICAL CTR RESEARCH INST	QR852021AM01U01HL10523	-410
93.837	3600	UNIV OF KANSAS MEDICAL CTR RESEARCH INST	QR852022 AM2	20,889
93.837	3600	UNIV OF MICHIGAN	3001598618 AM04	47,197
93.837	3600	UNIV OF NORTH CAROLINA AT CHAPEL HILL	5-32534 AM01	130,915
93.837	3600	UNIVERSITY OF MARYLAND	SR00001764	-53,308
93.837	3600	UNIVERSITY OF MARYLAND	SR00002293AM01	195,982
93.837	3600	UNIVERSITY OF MARYLAND, BALTIMORE	SR00002308	99,859
93.837	3600	UNIVERSITY OF MICHIGAN	3001290982 AM03	19,373
93.837	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	UW BUD# 664356	-10,523
93.837	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	UW BUD# 664427	-1,555
93.837	3600	UNIVERSITY OF MINNESOTA	P001435606 AM02	165,772
93.837	3600	UNIVERSITY OF MINNESOTA	P002081501	4,170
93.837	3600	UNIVERSITY OF OKLAHOMA	RS20130511-01 AM01	40,700
93.837	3600	UNIVERSITY OF OKLAHOMA	RS20130511-01A2	55,616
93.837	3600	UNIVERSITY OF PENNSYLVANIA	551412 MOD03	1,216

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93.837	3600	UNIVERSITY OF TEXAS HEALTH SCIENCE CTR	0008215A AM02	96,529
93.837	3600	UNIVERSITY OF VERMONT	24225SUB50868 AM02	35,687
93.837	3600	VANDERBILT UNIVERSITY	VUMC 36120 AM03	35,054
93.837	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 39687	325
93.837	3600	VPDIAGNOSTICS, INC	A57620	16,551
93.837	3600	WAKE FOREST UNIVERSITY	WFUHS 113873 AM04	45,129
93.837	3600	WAKE FOREST UNIVERSITY	WFUHS 14073 AM04	20,304
93.837	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-07-222 AM09	18,453
93.837	3600	YALE UNIVERSITY	M0700086 AM08	162,476
93.837	3600	YALE UNIVERSITY	M13A11482 (A08800)	43,913
93.837	3600	YALE UNIVERSITY	M13A11482PRIMER01HL085	21,443
93.838	3600	BATTELLE PACIFIC NORTHWEST DIVISION	TASKORD140660MOD03MSTR	482,826
93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12106601	546,856
93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12198901	529,241
93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12199001	148,686
93.838	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12199301	148,455
93.838	3600	BRIGHAM AND WOMEN'S HOSPITAL	106476	3,642
93.838	3600	BRIGHAM AND WOMEN'S HOSPITAL	106476 AM01	137,282
93.838	3600	COLUMBIA UNIVERSITY	3 (ACCT# 5-36361) AM05	11,850
93.838	3600	COLUMBIA UNIVERSITY	4 (ACCT #5-30084) AM1	34,315
93.838	3600	COLUMBIA UNIVERSITY	4 (GG004022)	12,281
93.838	3600	DUKE UNIVERSITY	2032352	88,931
93.838	3600	DUKE UNIVERSITY	UW BUD# 634090	204,816
93.838	3600	FHCRC	0000758955	72,513
93.838	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000760233	4,509
93.838	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	000726094	7,058
93.838	3600	HARVARD SCHOOL OF PUBLIC HEALTH	112127.5048790	48,884
93.838	3600	INDIANA UNIVERSITY	IN4624210UW	34,175

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93.838	3600	INDIANA UNIVERSITY MEDICAL CENTER	IN4685553UW	3,092
93.838	3600	NIH	UW BUD# 662426	58,545
93.838	3600	NIH	UW BUD# 663966	4
93.838	3600	NIH	UW BUD# 667333	7,840
93.838	3600	NIH	UW BUD# 667335	5,662
93.838	3600	NIH	UW BUD# 667597	33,749
93.838	3600	SEATTLE CHILDREN'S HOSPITAL	10216SUB MOD03	72,050
93.838	3600	SUNNYBROOK HEALTH SCIENCES CENTRE	HL67939, AM03	24,559
93.838	3600	TALARIA, INC.	AM01	15,074
93.838	3600	THE JOHNS HOPKINS UNIVERSITY	2001502917 AM01	209,175
93.838	3600	UCSF CONTROLLER'S OFFICE	6020SC AM03	452
93.838	3600	UCSF CONTROLLER'S OFFICE	6020SC AM04	15,347
93.838	3600	UCSF CONTROLLER'S OFFICE	6737SC AM01	34,584
93.838	3600	UNIVERSITY OF PITTSBURGH	0016623PROJ1215474AM04	99,939
93.838	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU-09-179-MOD-4 AM04	392,476
93.839	3600	FHCRC	0000739098PRIME5R01HL0	62,645
93.839	3600	FHCRC	0000765226	19,903
93.839	3600	PUGET SOUND BLOOD CTR	715 UW2009/10 -1, AM02	-407
93.839	3600	PUGET SOUND BLOOD CTR	715 UW2009/10-3 AM03	15,424
93.839	3600	PUGET SOUND BLOOD CTR	802-UW-2013	24,806
93.839	3600	SEATTLE CHILDREN'S HOSPITAL	10726SUB MOD01	10,582
93.839	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10237SUB AM02	14,953
93.839	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10628SUB MOD01	62,342
93.839	3600	UNIVERSITY OF ALABAMA AT BIRMINGHAM	000308405-001 AM04	75,466
93.846	3600	FHCRC	0000747221	61,194
93.846	3600	NORTHWESTERN UNIVERSITY	60027789 UW AM03	16,615
93.846	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AFAMP0076-UW, AMD#6	-4,047
93.846	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10166SUB AME02	2,185

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93.846	3600	STANFORD UNIVERSITY	13458140-30300-B-AM05	865
93.846	3600	UNIVERSITY OF MICHIGAN	3002095759AMO2PR01AR06	19,099
93.846	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	3002095759PRIMER01AR06	62
93.846	3700	UC-NIH Stress Evoked 2012-13	FY14.553.001AMD3	8,285
93.847	3600	ARKANSAS CHILDREN'S HOPSITAL RESEARCH	034814	435
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY110390197801A55930	1,402
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY110400197801A55931	3,142
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY120360189702A74308	17,698
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12197801	44,759
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12197802	15,637
93.847	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY13106101	1,686
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES118674	886
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES506698AM01	710
93.847	3600	CASE WESTERN RESERVE UNIVERSITY	RES507531 AM02 REV	252,383
93.847	3600	CEDARS-SINAI MEDICAL CENTER (CSMC)	UW BUD# 664426	-158
93.847	3600	CHILDREN'S HOSPITAL OF PITTSBURGH-UPMC	0019692 (120794-5)	219,983
93.847	3600	CHILDRENS HOSPITAL LOS ANGELES	UW BUD# 666152	540
93.847	3600	CINCINNATI CHILDREN'S HOSPITAL MEDICAL C	109748	22,838
93.847	3600	CINCINNATI CHILDREN'S HOSPITAL MEDICAL C	109748 AM01	70,327
93.847	3600	DOSE SAFETY	1 R43 DK 093070-01	22,098
93.847	3600	FHCRC	0000735533	333
93.847	3600	FHCRC	0000756451	11,864
93.847	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000741252	8
93.847	3600	GEORGE WASHINGTON UNIV	12-D18 AM01	583,644
93.847	3600	GEORGE WASHINGTON UNIVERSITY	12-D17 AM01	22,405
93.847	3600	GEORGE WASHINGTON UNIVERSITY	S-DPP1213-JB02	531,998
93.847	3600	GEORGE WASHINGTON UNIVERSITY	S-DPP1314-JB02	364,050
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	25034-14	25,705

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93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	25034-22	42,616
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	25034-23	27,713
93.847	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	25730-1	30,723
93.847	3600	HEALTHPARTNERS RESEARCH FOUNDATION	85285270X0813200MOD02	35,475
93.847	3600	HEALTHPARTNERS RESEARCH FOUNDATION	85285270X0813200MOD03	105,149
93.847	3600	NIH	10662SUB MOD04	55,157
93.847	3600	NYU LANGONE MEDICAL CENTER	1000119PROJECT867040AM	34,403
93.847	3600	SEATTLE BIOMEDICAL RSCH INST	KS121SCBE11SIBCR	11,676
93.847	3600	SEATTLE CHILDREN'S	10662SUB	665,697
93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	JPA/PO# KS121KS11SIBCR	376
93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	JPA/PO# KS121KS12SIBCR	10,967
93.847	3600	SEATTLE INST. FOR BIOMEDICAL & CLINICAL	JPA/PO#TG110MEIQ3SIBCR	12,361
93.847	3600	SIBCR	JPA/PO# HR15HR12SIBCR	96,047
93.847	3600	SIBCR	JPA/PO#TG110MEIQ2SIBCR	60,066
93.847	3600	SIBCR	JPA/PO#UK16UK11SIBCR	31,042
93.847	3600	SIBCR	JPAPOBW24MOROFY2SIBCR	35,606
93.847	3600	SIBCR	JPAPOKS121SCTD11SIBCR	1,025
93.847	3600	SIBCR	JPAPOKS121SPIVEL3SIBCR	3,650
93.847	3600	SIBCR	JPAPOLD12DKZAVA3SIBCR	74,489
93.847	3600	SIBCR	KS1-21-LIPKIN2	235
93.847	3600	SIBCR	KS1-21-LOVATO	912
93.847	3600	SIBCR	KS1-21-SCUK11-SIBCR	1,992
93.847	3600	SIBCR	KS1-21-SOCHA	5,581
93.847	3600	SIBCR	KS1-21-SPIVEY	332
93.847	3600	SIBCR	KS121LOVATC3SIBCR	10,035
93.847	3600	SIBCR	KS121SCTD12SIBCR	11,270
93.847	3600	SIBCR	KS121SOCHAJ3SIBCR	66,391
93.847	3600	SIBCR	KS140-UW-1 MOD01	69,747

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93.847	3600	SIBCR	KS140PJ12SIBCR	12,537
93.847	3600	SIBCR	KS140UK11SIBCR	12,953
93.847	3600	SIBCR	KS16KS12SIBCR	14,524
93.847	3600	SIBCR	KS16LOVATC2SIBCR	3,193
93.847	3600	SIBCR	KS16SCTD11SIBCR	7,172
93.847	3600	SIBCR	KS16SPIVEL2SIBCR	2,323
93.847	3600	SIBCR	KS16SPIVEL3SIBCR	1,659
93.847	3600	THE UNIVERSITY OF TEXAS	GMO1111315U01DK0583691	9,352
93.847	3600	THE UNIVERSITY OF TEXAS	GMO111131AM015U01DK583	57,826
93.847	3600	TUFTS MEDICAL CENTER	5005665-SERV	2,167
93.847	3600	TUFTS MEDICAL CENTER	5007632-SERV AM01	6,911
93.847	3600	UNIV OF CA SAN DIEGO	38947675PR2P01DK054441	46,522
93.847	3600	UNIV OF IOWA	W000421367PO1001122954	47,232
93.847	3600	UNIVERSITY OF CALIFORNIA, LA	1553GPC5391DP3DK094311	319,783
93.847	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	10289887-003	1,880
93.847	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10303997-002	6,263
93.847	3600	UNIVERSITY OF IOWA	W000311482PO1000944041	29,439
93.847	3600	UNIVERSITY OF LOUISVILLE	OICB111041Z02	12,928
93.847	3600	UNIVERSITY OF LOUISVILLE	OICB111O41Z02 AM01	56,562
93.847	3600	UNIVERSITY OF MIAMI	IE64441-66977	46,063
93.847	3600	UNIVERSITY OF MICHIGAN	3001343695U54DK083912A	5,179
93.847	3600	UNIVERSITY OF MINNESOTA	N001447101	4,836
93.847	3600	UNIVERSITY OF MINNESOTA	N002174701	1,255
93.847	3600	UNIVERSITY OF MINNESOTA	N002174701 AM01	222,626
93.847	3600	UNIVERSITY OF PITTSBURGH	0008705 (122323-1)	373,205
93.847	3600	UNIVERSITY OF PITTSBURGH	0012368 119570-1	22,307
93.847	3600	UNIVERSITY OF PITTSBURGH	0012368 121764-1	268,017
93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-AD MOD05	178,065

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93.847	3600	UNIVERSITY OF SOUTH FLORIDA	6119-1144-00-Z MOD06	728,205
93.847	3600	UNIVERSITY OF UTAH	10019509-04	9,992
93.847	3600	UNIVERSITY OF UTAH	10019509-04 AM01	10,864
93.847	3600	WA UNIV	WU0895PO2905423AAM06	-5,955
93.847	3600	WAKE FOREST UNIVERSITY	WFUHS 14113 AM08	247,538
93.847	3600	WAKE FOREST UNIVERSITY	WFUHS 14122 AM07	80,363
93.847	3600	WASHINGTON UNIVERSITY IN ST. LOUIS	WU11198PO2911630PAM03	21,535
93.847	3600	YALE UNIVERSITY	M13A11502 (A09021)	12,531
93.847	3650	ARCADIA BIOSCIENCES INC	WSU001086	-16,306
93.847	3650	PROVIDENCE MEDICAL RESEARCH CT	NIDDK20110001	137,168
93.849	3600	INDIANA UNIVERSITY	IUPUI4682197UWASH AM03	345,971
93.853	3600	BASTYR UNIVERSITY	H38B11-01	2,824
93.853	3600	BASTYR UNIVERSITY	H38B11-02	3,465
93.853	3600	DUKE UNIVERSITY	203-1590	62,253
93.853	3600	DUKE UNIVERSITY	203-2297	577,507
93.853	3600	EMORY UNIVERSITY	S971999	20,591
93.853	3600	FHCRC	0000770105	35,524
93.853	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000738837	156,195
93.853	3600	INARIAN NEURODIAGNOSTIC, LLC	UW OSP# A_A54454	2,137
93.853	3600	MASSACHUSETTS GENERAL HOSPITAL	208248AM04R01NS0597270	2,501
93.853	3600	NORTHWESTERN UNIVERSITY	60026665 UW AM02	48,783
93.853	3600	NORTHWESTERN UNIVERSITY	60030115 UW AM02	208,669
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9003187-UW	15,989
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9008346-UWHMC	27,280
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9008715_HMC	18,744
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AAIRC0023A AM02	47,870
93.853	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AAIRC0023A AM03	12,789
93.853	3600	ST. JOSEPH'S HOSPITAL AND MEDICAL CENTER	5UO1NS05247805AMD2	15

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93.853	3600	THE MEDICAL COLLEGE OF WISCONSIN, INC.	PR5R01NS03592911AM01	73,982
93.853	3600	THE MEDICAL COLLEGE OF WISCONSIN, INC.	SUBAWARD #1	100
93.853	3600	U OF TEXAS SW MEDICAL CTR	100104	10,118
93.853	3600	U OF TEXAS SW MEDICAL CTR	100104PORGC0000000128A	51,349
93.853	3600	UNIV OF CALIFORNIA, SAN DIEGO	10316345-002	31,693
93.853	3600	UNIV OF CALIFORNIA, SAN DIEGO	10316345-01 SUB	6,527
93.853	3600	UNIV OF TENNESSEE	9000010265	44,524
93.853	3600	UNIV OF TEXAS SOUTHWESTERN MEDICAL CTR	120114PRIME5R01NS06186	24,489
93.853	3600	UNIVERSITY OF BRITISH COLUMBIA	F09-04487 AM02	1,174
93.853	3600	UNIVERSITY OF CALIFORNIA	6495SC AM03	5,870
93.853	3600	UNIVERSITY OF CALIFORNIA	6495SC AM04	29,066
93.853	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	7150SC	9,846
93.853	3600	UNIVERSITY OF IOWA	W000311706 AM14	16,768
93.853	3600	UNIVERSITY OF MINNESOTA	N001257301AM01	5,250
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	147758	55,454
93.853	3600	UNIVERSITY OF SOUTHERN CALIFORNIA	157934	-116
93.853	3600	YALE UNIVERSITY SCHOOL OF MED	A07917M11A10873AM02	-205
93.855	3600	BAYLOR COLLEGE OF MEDICINE	101114198 AM03	10,737
93.855	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY13109804	1,886
93.855	3600	BRIGHAM & WOMENS HOSP	104281, AM04	178,403
93.855	3600	BRIGHAM AND WOMEN'S HOSPITAL	108079 AM01	268,246
93.855	3600	BRIGHAM AND WOMEN'S HOSPITAL	108279 MOD01	11,157
93.855	3600	BRIGHAM AND WOMEN'S HOSPITAL	108406 MOD01	211,217
93.855	3600	BRIGHAM AND WOMEN'S HOSPITAL	108561	37,686
93.855	3600	CORNELL UNIVERSITY	11122122	76,573
93.855	3600	CORNELL UNIVERSITY	13020246-2	40,877
93.855	3600	DANA-FARBER CANCER INSTITUTE	1015110 AM10	31,361
93.855	3600	DREXEL UNIVERSITY	DREXEL 232284 MOD7	10,226

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93.855	3600	FHCRC	0000694218 AMD #1	-720
93.855	3600	FHCRC	0000709819	-718
93.855	3600	FHCRC	0000716293	1,282
93.855	3600	FHCRC	0000716858	1,232
93.855	3600	FHCRC	0000716858 AM02	-1,248
93.855	3600	FHCRC	0000716858 AM03	685
93.855	3600	FHCRC	0000721728	-131
93.855	3600	FHCRC	0000723371 AM01	1,045
93.855	3600	FHCRC	0000723373 AM01	2,650
93.855	3600	FHCRC	0000723375 AM01	1,459
93.855	3600	FHCRC	0000724172 AM01	-73,298
93.855	3600	FHCRC	0000730790	718
93.855	3600	FHCRC	0000739400 AM01	24,980
93.855	3600	FHCRC	0000739784	176,578
93.855	3600	FHCRC	0000740184	33,369
93.855	3600	FHCRC	0000744762	141,951
93.855	3600	FHCRC	0000744777	34,044
93.855	3600	FHCRC	0000745629 AM01	99,004
93.855	3600	FHCRC	00007484725P01AI030731	77,834
93.855	3600	FHCRC	0000748478	222,204
93.855	3600	FHCRC	0000748489	176,253
93.855	3600	FHCRC	0000748516	200,477
93.855	3600	FHCRC	0000748517	233,629
93.855	3600	FHCRC	0000748521	250,576
93.855	3600	FHCRC	0000748867	291,739
93.855	3600	FHCRC	0000748870	2,894,382
93.855	3600	FHCRC	0000749583 AM01	459,642
93.855	3600	FHCRC	0000749607	820,350

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93.855	3600	FHCRC	0000750091 AM01	54,187
93.855	3600	FHCRC	0000750153	43,554
93.855	3600	FHCRC	0000750158	27,253
93.855	3600	FHCRC	0000750158 AM01	16,162
93.855	3600	FHCRC	0000750159 AM01	84,051
93.855	3600	FHCRC	0000750383	228,454
93.855	3600	FHCRC	0000750394 AM01	21,421
93.855	3600	FHCRC	0000751357	38,423
93.855	3600	FHCRC	0000751358	38,423
93.855	3600	FHCRC	0000751598 AM01	482,534
93.855	3600	FHCRC	0000751687	77,185
93.855	3600	FHCRC	0000751832	272,243
93.855	3600	FHCRC	0000761042 AM01	166,997
93.855	3600	FHCRC	0000761408	164,357
93.855	3600	FHCRC	0000762014	365,190
93.855	3600	FHCRC	0000763849	738,470
93.855	3600	FHCRC	0000764789	144,510
93.855	3600	FHCRC	0000765806	26,041
93.855	3600	FHCRC	0000767348	21,115
93.855	3600	FHCRC	0000769010	40,667
93.855	3600	FHCRC	0000769700	48,948
93.855	3600	FHCRC	0000772228	42,981
93.855	3600	FHCRC	UW BUD# 663932	36,827
93.855	3600	FHCRC	UW BUD# 665409	15,513
93.855	3600	FHCRC	UW BUD# 666481	6,488
93.855	3600	FHI 360	971/0080.0173 AM01	3,127
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000730219 AM01	53,348
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000732834	193,726

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93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000734544	43,497
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000735180	40,206
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000735301	1,889
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000748481	300,940
93.855	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0007287355U01AI068618	-92
93.855	3600	GEORGIA HEALTH SCIENCES UNIVERSITY	23069-21	109,700
93.855	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570-114063 AM02	57,989
93.855	3600	INDIANA UNIVERSITY	IN-4689724-UW AM02	92,509
93.855	3600	JOHNS HOPKINS UNIVERSITY	2001317198	24
93.855	3600	JOHNS HOPKINS UNIVERSITY	2001317198 MOD01	1
93.855	3600	JOHNS HOPKINS UNIVERSITY	2001317198, MOD03	477,496
93.855	3600	KECK GRADUATE INSTITUTE	SUBPRIME1R01AI09083101	73,067
93.855	3600	KINETA, INC.	SUBCONTRACT 3470 MOD01	85,785
93.855	3600	MAGEE-WOMEN'S RESEARCH INST.& FDTN	4611	355,772
93.855	3600	MAGEE-WOMEN'S RESEARCH INST.& FDTN	4626 P:1 U19 AI082639	15,385
93.855	3600	MAGEE-WOMEN'S RESEARCH INST.& FDTN	9265 AM01	55,063
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE	9211 AM01	-1,504
93.855	3600	MAGEE-WOMEN'S RESEARCH INSTITUTE	9243 AM01	742,895
93.855	3600	MICROBIOTIX, INC	UW BUD# 662920	61,199
93.855	3600	MMV MEDICINES FOR MALARIA VENTURE	MMV06/0013	250,607
93.855	3600	NIH	UW BUD# 667172	2,897
93.855	3600	NIH	UW BUD# 667173	2,897
93.855	3600	NIH	UW BUD# 667364	2,608
93.855	3600	NORTHWESTERN UNIVERSITY	SP0007967PROJ0002212AM	132,218
93.855	3600	OHIO STATE U RESEARCH FOUNDATION	60022770 MOD01	38,349
93.855	3600	OHIO STATE U RESEARCH FOUNDATION	60036897PORF01314964	55,090
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9004157_UW_BEVAN	79,011
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9004157_UW_GALE AM06	39,768

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9004157_UW_KATZE	202,594
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	9004157UWLAGUNOFFAM04	55,018
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0103UOFWNBEVANAM0	250,142
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0103UOFWNGALEAM05	171,754
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	AVGTI0103UOFWNKATZEAM0	451,870
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GVGT10103O8 AM03	130,343
93.855	3600	OREGON HEALTH & SCIENCE UNIVERSITY	GVGTI0103UWKATZESUPPAM	23,600
93.855	3600	PUBLIC HEALTH FOUNDATION ENTERPRISES	SUB 5 R01 AI 083060-04	11,396
93.855	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW #10073	41,918
93.855	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW #10073 MOD01	65,900
93.855	3600	SEATTLE BIOMEDICAL RESEARCH INSTITUTE	UW-16062 MOD03	170,564
93.855	3600	SEATTLE BIOMEDICAL RSCH INST	UW-12534 MOD02	18,968
93.855	3600	SEATTLE CHILDEN'S RESEARCH INSTITUTE	10268SUB AM04	6,726
93.855	3600	SEATTLE CHILDEN'S RESEARCH INSTITUTE	10788SUB	734
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	0000747659	216,914
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10013 SUB AM03	9,334
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10038SUB-AM03	2,491
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10189SUB AM03	259,051
93.855	3600	SEATTLE CHILDREN'S HOSPITAL	10330SUB MOD02	123,731
93.855	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10590SUB	144,947
93.855	3600	SEQUELLA, INC.	UW BUD# 661891	28,679
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC.	BRS-ACURE-S-12-002216	604
93.855	3600	SOCIAL & SCIENTIFIC SYSTEMS, INC.	BRSACURES1100004600206	-92
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACURES1100004600121	-81
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACURES1200004600249	436
93.855	3600	SOCIAL SCIENTIFIC SYSTEMS INC	BRSACURES1200004600250	6
93.855	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	108081 AM03	461,630
93.855	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	108085 AM01	12,049

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.855	3600	THE BRIGHAM AND WOMEN'S HOSPITAL, INC.	108088 AM01	34,273
93.855	3600	TULANE NATIONAL PRIMATE CENTER	TUL-HSC-280-11/12	8,912
93.855	3600	U OF TEXAS SW MEDICAL CTR	GMO111101PRIME2R56AI53	89,149
93.855	3600	UCSF CONTROLLER'S OFFICE	7364SC	3,220
93.855	3600	UMDNJ	191675W AM03	1,080,398
93.855	3600	UNIV OF COLORADO, DENVER	FY11284002FY12AM02UW	19,011
93.855	3600	UNIV OF NORTH CAROLINA AT CHAPEL HILL	5-33051	978,165
93.855	3600	UNIV OF TEXAS SOUTHWESTERN MEDICAL CTR	GMO130301 PO#386	145,608
93.855	3600	UNIVERISTY OF UTAH	10009618-UW-01 MOD01	115,752
93.855	3600	UNIVERSITY OF ALABAMA	000384588-001 AM01	-172
93.855	3600	UNIVERSITY OF ALABAMA	000384588-001 AM02	44,809
93.855	3600	UNIVERSITY OF ALABAMA	000384599-002 AM031	51,551
93.855	3600	UNIVERSITY OF ALABAMA	000421524-002 AM01	61,555
93.855	3600	UNIVERSITY OF ALABAMA	000421793-003	18,612
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000384599-007 AM04	22,342
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000397076-005	77,211
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000397076-012 AM01	191,257
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000397076-012 AM02	168,563
93.855	3600	UNIVERSITY OF ALABAMA, BIRMINGHAM	000397076-012 AM03	573,400
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	10293192, AM04	144,917
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO# 10289256-004	24,746
93.855	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	PO#10293192-003	-2,311
93.855	3600	UNIVERSITY OF CENTRAL FLORIDA	22206046C	96,645
93.855	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	6135321/RFS2012035	31,458
93.855	3600	UNIVERSITY OF MASSACHUSETTS, WORCESTER	6143803/RFS2013031	561,348
93.855	3600	UNIVERSITY OF NORTH CAROLINA	5-33047	262,644
93.855	3600	UNIVERSITY OF NORTH CAROLINA	5-33053	195,333
93.855	3600	UNIVERSITY OF NORTH CAROLINA	5-50817 AM05	97,669

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93.855	3600	UNIVERSITY OF PITTSBURGH	00052631139862AM03	1
93.855	3600	UNIVERSITY OF PITTSBURGH	00052631139862AM04	29,681
93.855	3600	UNIVERSITY OF PITTSBURGH	0010255 (120782-1)	82,907
93.855	3600	UNIVERSITY OF PITTSBURGH	0022494 (119409-3)AM01	38,845
93.855	3600	UNIVERSITY OF PITTSBURGH	00224941194092AM01	2,562
93.855	3600	UNIVERSITY OF PITTSBURGH	0026975AM031197431	88,511
93.855	3600	UNIVERSITY OF PITTSBURGH	UW BUD# 667004	10,892
93.855	3600	UNIVERSITY OF WISCONSIN-MADISON	171K765 AM03	290,403
93.855	3650	SEATTLE CHILDREN'S HOSPITAL	10685SUB	364,575
93.856	3600	FHCRC	04-106153-05-S0967	-83,821
93.859	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	9-526-2175AM01	2,026
93.859	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	9-526-6062 AM02	70,954
93.859	3600	ARIZONA STATE UNIVERSITY	09-130 AM03	7,307
93.859	3600	BENAROYA RESEARCH INSTITUTE AT VIRGINIA	FY12197601	8,868
93.859	3600	FISRTHAND TECHNOLOGY INC.	UW BUD# 664860	53,609
93.859	3600	FOX CHASE CANCER CENTER	11138-03	-10,279
93.859	3600	HARVARD SCHOOL OF PUBLIC HEALTH	114041-5026836 AM01	15,499
93.859	3600	HARVARD SCHOOL OF PUBLIC HEALTH	23570114041AM02U54GM08	38,628
93.859	3600	INDIANA UNIVERSITY	PO 539704 AM05	-1,366
93.859	3600	MASSACHUSETTS GENERAL HOSPITAL	204804 MOD06	12,128
93.859	3600	MEDICAL COLLEGE OF WISCONSIN	PRIME1P50GM09450301A1	42,295
93.859	3600	MEDICAL COLLEGE OF WISCONSIN	PRIME5P50GM09450302A20	221,261
93.859	3600	NANOFACTURE, INC.	UW BUD# 660882	44,585
93.859	3600	NEXGENIA INC.	UW BUD# 664958	44,314
93.859	3600	NEXGENIA, INC./NEW VENTURES FACILITY	UW BUD# 667056	34,687
93.859	3600	NIH	UW BUD# 666847	2,966
93.859	3600	OKLAHOMA MEDICAL RESEARCH FOUNDATION	5R01GM09290002PRIME	13,869
93.859	3600	PUGET SOUND BLOOD CTR	PO-027585	6,374

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.859	3600	PUGET SOUND BLOOD CTR	PO-032173	4,553
93.859	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 662666	33,419
93.859	3600	UNIV OF CALIFORNIA, SAN DIEGO	10318834-SUB-001	209,198
93.859	3600	UNIVERSITY OF COLORADO	FY07001007FY12001010AM	16,526
93.859	3600	UNIVERSITY OF COLORADO	FY12.001.005 AM05	568
93.859	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5-30194 AM02	21,775
93.859	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5-30194 AM04	110,475
93.859	3600	UNIVERSITY OF VIRGINIA	GC11617-139123 AM01	4,500
93.859	3600	VANDERBILT UNIVERSITY	18821-S1 AM05	-1,442
93.859	3650	WASHINGTON UNIV IN ST LOUIS	WU11306	91,563
93.859	3700	UF-Sigma Virus	0080194 Sub#UF09051 A4	27,656
93.859	6990	Dept of Health and Human Services	681978	7,595
93.865	3600	ALBERT EINSTEIN HEALTHCARE NETWORK	R01 HD 061400 MOD01	175,744
93.865	3600	BAYLOR COLLEGE OF MEDICINE	101545939	32,918
93.865	3600	BAYLOR COLLEGE OF MEDICINE	5600716840	249,615
93.865	3600	BOSTON COLLEGE	1521-2 AM01	-501
93.865	3600	BOSTON COLLEGE	5001521-2 AM02	15,600
93.865	3600	CEDARS-SINAI MEDICAL CENTER	693248	-537
93.865	3600	CEDARS-SINAI MEDICAL CENTER	PO#0000771499	-609
93.865	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10211SUB AM5	-201
93.865	3600	CHILDREN'S HOSPITAL OF PITTSBURGH-UPMC	0019692 (119569-05)	4,853
93.865	3600	CHILDREN'S MERCY HOSPITAL	10-0002 AM02	124,081
93.865	3600	CHILDREN'S MERCY HOSPITAL	UW BUD# 666788	62,588
93.865	3600	CINCINNATI CHILDREN'S HOSPITAL MEDICAL C	108863 AM02	-1,174
93.865	3600	EAST-WEST CENTER	HC12663 AM03	21,842
93.865	3600	FHCRC	0000	3,899
93.865	3600	FHCRC	0000718052 AM02	-3,596

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93.865	3600	FHCRC	0000720524	5,925
93.865	3600	FHCRC	0000720538 AMEND1	-72,123
93.865	3600	FHCRC	0000720543	23,977
93.865	3600	FHCRC	0000744353	135,621
93.865	3600	FHCRC	0000747286AM015P01HD06	454,268
93.865	3600	FHCRC	0000747305	132,521
93.865	3600	FHCRC	0000767818	47,643
93.865	3600	FHCRC	0000767820	45,270
93.865	3600	FHCRC	0000767845	17,265
93.865	3600	FHCRC	684136	-7,595
93.865	3600	FHCRC	747304	271,231
93.865	3600	FHCRC	SUBAWARD# 0000684142	-23,995
93.865	3600	FHCRC	SUBAWARD# 0000697384	1,593
93.865	3600	FHCRC	UW BUD# 661943	58,535
93.865	3600	GEORGE WASHINGTON UNIV	S-MFM1112-VD12	85,603
93.865	3600	GEORGE WASHINGTON UNIV	S-MFM1213-JB12	31,856
93.865	3600	HARVARD SCHOOL OF PUBLIC HEALTH	114119.5060443	15,059
93.865	3600	JOHNS HOPKINS UNIVERSITY	5R01HD0702002200142605	16,961
93.865	3600	KESSLER RESEARCH CENTER	380-04	997
93.865	3600	NIH	5-33193 AM07	28,474
93.865	3600	NORTHWESTERN UNIVERSITY	60032241 UW	57,636
93.865	3600	RTI INTERNATIONAL	U10HD057753AM02	20,693
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	10286SUB MOD02	16,649
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	10478SUB MOD01	24,852
93.865	3600	SEATTLE CHILDREN'S HOSPITAL	10479SUB MOD01	21,795
93.865	3600	SEATTLE CHILDREN'S HOSPITAL RESEARCH INSTITUTE	UW BUD# 665381	383,691
93.865	3600	SEATTLE CHILDREN'S HOSPITAL RSCH FNDN	10255SUB MOD02	29,916

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
93.865	3600	SIMBEX, LLC	04162012	23,714
93.865	3600	STANFORD UNIVERISTY	60041595-47512-A AM01	34,400
93.865	3600	SWEDISH HEALTH SERVICES	803033 A YR1 AM01	2,028
93.865	3600	SWEDISH HEALTH SERVICES	UW 803235A MOD04	20,377
93.865	3600	THE POPULATION COUNCIL	SR1317	27,689
93.865	3600	UCLA CCPR	1215 G JB215 AM05	2,488
93.865	3600	UNIV OF KANSAS, CENTER FOR RESEARCH INC	FY2007091MOD07	168,427
93.865	3600	UNIV OF TEXAS SOUTHWESTERN MEDICAL CTR	SUB1202103UO1HD0426520	-15
93.865	3600	UNIVERSITY OF CONNECTICUT	7023 PO#4876	246,441
93.865	3600	UNIVERSITY OF ILLINOIS	2011-01659-02 AM02	16,796
93.865	3600	UNIVERSITY OF MIAMI	AM03	8,769
93.865	3600	UNIVERSITY OF NORTH CAROLINA	5-33193	512,269
93.865	3600	UNIVERSITY OF NORTH CAROLINA	5-51032 AM02	-27
93.865	3600	UNIVERSITY OF NORTH CAROLINA	5-51032 AM03	102,094
93.865	3600	UNIVERSITY OF NORTH CAROLINA CHAPEL HILL	5-33285	83,959
93.865	3600	UNIVERSITY OF PITTSBURGH	0024922 (120171-10)	68,425
93.865	3600	UNIVERSITY OF PITTSBURGH	0024922 (122818-4)	34,649
93.865	3600	UNIVERSITY OF PITTSBURGH	0024922(120171-9)	13,195
93.865	3650	BAYLOR COLLEGE OF MED FED	5600653614	71,503
93.865	3650	HARVARD UNIV	1.16341E+12	46,260
93.865	3650	OR HLTH SCI UNIV FED FLOW	9003418005WSU	33,007
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	310102	27,025
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	9-526-4859 AMEND 01	-2,172
93.866	3600	ALBERT EINSTEIN COLLEGE OF MEDICINE	95262762AM02KR01AG0318	6,507
93.866	3600	BOSTON UNIVERSITY MEDICAL CAMPUS	9500223494 AM03	37,042
93.866	3600	BROWN UNIVERSITY	00000056PO992706AM05	50,991
93.866	3600	CHILDREN'S HOSPITAL AND REGIONAL MED CTR	10213SUB AM03	51,226
93.866	3600	FHCRC	0000751935AM1U01AG0326	36,917

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93.866	3600	FRED HUTCHINSON CANCER RESEARCH CENTER	0000730637	6,113
93.866	3600	GROUP HEALTH COOPERATIVE	2012101790	5,319
93.866	3600	GROUP HEALTH COOPERATIVE	2012108386 MOD01	116,389
93.866	3600	GROUP HEALTH COOPERATIVE	2012108386 MOD02	12,234
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	2011122050 MOD01	67,295
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	2012107330	13,632
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	2012110257	2,660
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	2012110766 MOD01	19,933
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	2012116175 MOD01	39,637
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	2012121176	54,053
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	AG006781-25-UW	803,494
93.866	3600	GROUP HEALTH RESEARCH INSTITUTE	AG006781-UW	160,225
93.866	3600	MANAGEMENT SCIENCES FOR HEALTH	SIAPS-2011-003 TO08	300
93.866	3600	NATIONAL BUREAU OF ECONOMIC RESEARCH	UW-33-4135-07-5	20,000
93.866	3600	NATIONAL INSTITUTE OF HEALTH	UW BUD# 666786	8,158
93.866	3600	SANFORD BURNHAM MRI	56160-11676-UWS AM03	72,336
93.866	3600	SIBCR	BW22BW2_3_SIBCR	33,502
93.866	3600	SIBCR	BW22HANSEK2SIBCR	12,278
93.866	3600	SIBCR	JPAPOCS120BL12SIBCRMO1	5,493
93.866	3600	SIBCR	JPAPOPE1AG033133LG11SI	4,531
93.866	3600	SIBCR	JPAPOPE1AG033133PE1SIB	41,913
93.866	3600	SIBCR	JPAPOPE1AG033133SHOFER	27,430
93.866	3600	SIBCR	PE1AG033133LG12SIBCR	49,838
93.866	3600	SIBCR	PE1AG033133SIKKEC1SIBC	3,474
93.866	3600	SIBCR	POPE1AG033133SIKKEC2SI	38,214
93.866	3600	TUFTS MEDICAL CENTER	5005011-SERV	46,599
93.866	3600	TUFTS MEDICAL CENTER	UW BUD# 666938	18,563
93.866	3600	UMDNJ	AMENDMENT 3	-1,172

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93.866	3600	UNIVERSITY OF CA, IRVINE	2012-2867	16,522
93.866	3600	UNIVERSITY OF CALIFORNIA, DAVIS	0900012 AM04	73,231
93.866	3600	UNIVERSITY OF CALIFORNIA, SAN FRANCISCO	1536 AM02	8,337
93.866	3600	UNIVERSITY OF COLORADO	FY08.001.011 AMEND 4	5
93.866	3600	UNIVERSITY OF COLORADO - DENVER	FY13001007PROJ2574695	81,440
93.866	3600	UNIVERSITY OF MICHIGAN, ANN ARBOR	3002473402 AM01	386,112
93.866	3600	UNIVERSITY OF PENNSYLVANIA	556636 AM01	24,064
93.866	3600	UNIVERSITY OF PENNSYLVANIA	556636AM01 PO#2878583	23,570
93.866	3600	UNIVERSITY OF PENNSYLVANIA	UW BUD# 666567	4,452
93.866	3600	UNIVERSITY OF PITTSBURGH	00012200 119695-6 AM01	199,126
93.866	3600	UNIVERSITY OF SOUTH FLORIDA	6155-1030-00-A	118,849
93.866	3600	UNIVERSITY OF WISCONSIN-MADISON	SUBAWARD#394K192AM01	19,060
93.866	3600	VANDERBILT U MED CTR ACAD & RSCH ENT.	VUMC 40785 AM01	3,139
93.867	3600	COLUMBIA UNIVERSITY	1 (GG010289) PO#G04015	2,217
93.867	3600	HARVARD MEDICAL SCHOOL	1 R01 EY 022302-01	13,714
93.867	3600	JAEB CENTER FOR HEALTH RESEARCH, INC.	9-29-03	54,414
93.867	3600	OREGON HEALTH SCIENCES UNIVERSITY	1002605_UW	13,329
93.867	3600	UCSF CONTROLLER'S OFFICE	7271SC	17,406
93.867	3600	UNIV OF CA SAN DIEGO	39543216	2,798
93.867	3600	UNIVERSITY OF CALIFORNIA SAN DIEGO	PO#10317338-SUB	321,136
93.867	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00007517 AM01	-70,185
93.867	3600	UNIVERSITY OF CALIFORNIA, BERKELEY	00007517 AM02	307,212
93.867	3600	UNIVERSITY OF CALIFORNIA, SAN DIEGO	10315588-002	41,216
93.867	3600	UNIVERSITY OF MINNESOTA	N640615302 AM03	1,440
93.867	3600	UNIVERSITY OF MINNESOTA	N640615302, AM05	152,371
93.867	3650	OR HLTH SCI UNIV FED FLOW	GCAEI0244A	33,624
93.867	3650	OR HLTH SCI UNIV FED FLOW	GPHYP0181WSU	112,355
93.867	3650	UNIV OF MD	6880	34,982

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93.879	3600	CLARK & PARSIA LLC	UW BUD# 662794	279,952
93.879	3650	YALE UNIV FED FLOW	M11A10935	3,979
93.912	3700	CBHA-Assessment	N/A	28,262
93.933	3600	NATIONAL CONGRESS OF AMERICAN INDIANS	U26IHS30029301SA04AM05	168,074
93.944	3600	PUBLIC HEALTH - SEATTLE & KING COUNTY	PREV2723	5,000
93.945	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10397SUB	6,164
93.945	3600	SEATTLE CHILDREN'S RESEARCH INSTITUTE	10694SUB	5,854
93.958	3000	NEW FREEDOM INT.	841305	28,418
93.958	3600	DSHS	1265-45597	11,678
93.958	3600	DSHS	1265-45950	25,688
93.958	3600	DSHS MENTAL HEALTH FINANCE	1165-43243-03	-746
93.958	3600	DSHS MENTAL HEALTH FINANCE	1165-43336	20,667
93.958	3600	DSHS MENTAL HEALTH FINANCE	1265-62496 TO#AA	180,386
93.958	3600	DSHS MENTAL HEALTH FINANCE	UW BUD# 663040	14,862
93.958	3600	DSHS MENTAL HEALTH FINANCE	UW BUD# 663045	102,801
93.958	3600	DSHS MENTAL HEALTH FINANCE	UW BUD# 663046	22,717
93.958	3600	DSHS MENTAL HEALTH FINANCE	UW BUD# 663429	42,110
93.958	3600	DSHS MENTAL HEALTH FINANCE	UW BUD# 663431	16,582
93.958	3600	WA ST DSHS	1165-36869 AM01	68,399
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDI	5 D 43 TW 008438 3	1
93.989	3600	UNIVERSIDAD PERUANA CAYETANO HEREDI	D43TW008438-04	49,109
93.989	3600	UNIVERSITY OF KWAZULU-NATAL (UKZN)	MEPI UW02	43,558
93.989	3600	UNIVERSITY OF NAIROBI	3 R24 TW 008889-02S1	10,062
93.989	3600	UNIVERSITY OF NAIROBI	5 R24 TW 008889-02 REV	-2,797
93.989	3600	UNIVERSITY OF NAIROBI	PRIME5R24TW00888903	158,424
93.989	3600	VANDERBILT U MED CTR ACAD & RSCH ENT.	VUMC35544AM25R24TW0079	-7
93.989	3600	VANDERBILT U MED CTR INST FOR GLOB HLTH	VUMC35559AM35R24TW0079	1,260
93.989	3600	VANDERBILT UMC GLOBAL HEALTH INST.	VUMC 38302 AM01	25,160

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93.989	3600	VANDERBILT UMC GLOBAL HEALTH INST.	VUMC 38425 AM01	17,988
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	SUB# VUMC 35540 AM02	6,326
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 34749 AM03	14,038
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 35542 AM01	-2,019
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 36924 AM01	4,786
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC 36924 AM02	31,378
93.989	3600	VANDERBILT UNIVERSITY MEDICAL CENTER	VUMC36834AM01	-1,514
93.994	3600	WA STATE DEPT OF HEALTH	N18166 AM02	120,712
93.999	6990	US Dept of Health & Human Services	None	25,715
94.005	3600	WASHINGTON CAMPUS COMPACT	54571-P AM01	3
94.006	3600	JUMPSTART FOR YOUNG CHILDREN	480200	181,609
94.006	3600	WASHINGTON CAMPUS COMPACT	54570-29	94
94.006	3600	WESTERN WASHINGTON UNIVERSITY	54570-27 AM01	3,170
97.000	3600	BAKERAECOM, LLC	TO# UWA-PTS-001 MOD04	27,768
97.000	3600	UNIVERSITY OF MICHIGAN	3001657166 AM04	56,890
97.000	3650	EXCELLIMS CORP	WSU000938	-3,554
97.000	3650	UNIV OF S CA	167561	63,773
97.005	6990	National Partnership for Environmental Technology Education	FEMA 10466	12,162
97.013	3650	MEDICAL UNIV OF SOUTH CAROLINA	MUSC13003	4,902
97.036	6990	Military Department	D12-024	8,379
97.036	6990	WA MIL DEPT & FEMA	FEMA-4056-DR-WA	36,513
97.039	3760	FEMA	E-10-198	756,829
97.056	2250	Marine Exchange of Puget Sound	C120059FED-PSG1	64,012
97.056	2250	Marine Exchange of Puget Sound	C130082FED-PS2A	418
97.056	2250	Marine Exchange of Puget Sound	C130082FED-PSG2	50,460
97.061	3600	KANSAS STATE UNIVERSITY	S11198.01 MOD01	478
97.061	3600	KANSAS STATE UNIVERSITY	S11198.02 MOD02	37,401

State of Washington
Schedule of Expenditures of Federal Awards
Note F:
Supplemental Information for Pass-Through Funds

For the Year Ended June 30, 2013 (Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
97.061	3600	UNIVERSITY OF ARIZONA	Y503225 MOD5	18,201
97.061	3650	NORTHEASTERN UNIV	504928P0902320	135,611
97.077	3650	FISK UNIVERSITY	WSU001066	122,619
98.000	3650	MISCELLANEOUS NONFED SPONSOR	ROPAGREDSUB120003	28,200
98.000	3650	PURDUE UNIV	4.106E+17	69,263
98.001	3600	EAST-WEST MANAGEMENT INSTITUTE	73912100301620AM02	60,096
98.001	3600	MANAGEMENT SCIENCES FOR HEALTH, INC.	A197201103ITECHMOD03	462,959
98.001	3600	MANAGEMENT SCIENCES FOR HEALTH, INC.	A197201103ITECHMOD032	114,379
98.001	3600	POPULATION COUNCIL	SH1211	18,238
98.001	3600	WORLD WILDLIFE FUND	UW BUD# 667351	52,560
98.001	3650	TOTAL LANDCARE MALAWI	WSU001162	218,482
98.001	3650	VA TECH UNIV	42597619276	35,277
98.012	3650	ND ST UNIV FED FLOW	FAR0018479	18,595
99.000	3600	CHICAGO BOTANIC GARDEN	PO 6832JSB01.04.10	1,607
99.000	3600	COLUMBIA UNIVERSITY	UW BUD# 662497	165,304
99.000	3600	INTERNATIONAL COMPUTER SCIENCE INSTITUTE	PROJECT #802UW MOD02	239,580
99.000	3600	KITTELSON AND ASSOCIATES	UW BUD# 665888	42,269
99.000	3600	NATIONAL ACADEMIES	HR 03-96 MOD02	2,362
99.000	3600	NORTHWEST HIDTA	9000000069	2,981
99.000	3600	WESTERN WASHINGTON UNIVERSITY (WWU)	54558-OX	464
99.999	3650	BATTELLE COLUMBUS FED FLOW	227868	3,949
99.999	3650	CORP FOR PUBLIC BROADCASTING	1889	-32
99.999	3650	TRI CO ECONOMIC DEVELOPMENT DIST	TEDDWSUOGRD119414	25,506
			Total Pass-Through Funds	**192,880,243**

State of Washington
Schedule of Expenditure of Federal Awards
Note G:
Supplemental Information for Pass-Through Federal Assistance
(State as Subrecipient not included on the Schedule)

For the Year Ended
June 30, 2013
(Expressed in whole dollars)

Federal Catalog No.	State Agency No.	Pass-Through Entity Name	Award/Contract Control Number	Expenditure Amount
17.258	540	Olympic Consortium WDC	6312, 6322, 6461, 6491, 7312, 7322, 7332	335,638
17.258	540	Pacific Mountain WDC	5043	145,741
17.258	540	Snohomish County WDC	6721, 6722	65,779
17.258	540	North Central WA WDC	7632, 7682, 7692, 7702, 7862	144,013
17.258	540	Eastern WA Partnership WDC	2912	5,501
17.258	540	Spokane Area WDC	7812, 7852	184,587
17.258	699	Workforce Central-Tacoma	NAC IBESST B124-B231	15,825
			17.258 Total	**897,084**
17.258A	699	King County WDC	11/186-VAR	92,218
			17.258A Total	**92,218**
17.259	540	North Central WA WDC	7632, 7682, 7692, 7712, 7752, 7862	122,297
17.259	540	Spokane Area WDC	7842	2,616
			17.259 Total	**124,913**
17.260	699	SkillSource	SKS13	10,787
			17.260 Total	**10,787**
17.275	360	Wash St Workforce Training & Education	IAA-818-13	81,051
			17.275 Total	**81,051**
17.277	540	Olympic Consortium WDC	6532, 6542	16,098
17.277	540	Snohomish County WDC	6791	96,189
17.277	540	North Central WA WDC	7792	30,980
17.277	540	Eastern WA Partnership WDC	2940, 2942	45,079
			17.277 Total	**188,346**
17.278	540	Olympic Consortium WDC	6312, 6322, 6461, 6491, 7342, 7352, 7362	456,013
17.278	540	Pacific Mountain WDC	5053, 5063, 5073, 5083, 5093	566,102
17.278	540	Snohomish County WDC	6731, 6732	108,805
17.278	540	North Central WA WDC	7632, 7682, 7692, 7742, 7862	145,253
17.278	540	South Central WA WDC	7411	(11)
17.278	540	Eastern WA Partnership WDC	2881, 2922, 2923, 2932, 2933	285,059
17.278	540	Spokane Area WDC	7802, 7822	505,218
			17.278 Total	**2,066,439**

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Year Ended June 30, 2013 (Expressed in whole dollars)

Federal Catalog No.	Federal Program Title	June 30, 2013 Outstanding Loan Balances
University of Washington (Agency 3600)		
84.038	Federal Perkins Loan Program_federal Capital Contr	46,465,866 **S**
93.264	Nurse Faculty Loan Program	1,304,892 **S**
93.342	Health Professions Student Loans, Including Primar	11,421,712 **S**
93.364	Nursing Student Loans	1,788,598 **S**
93.408	ARRA - Nurse Faculty Loan Program	152,856 **S**
	University of Washington Total	**61,133,924**
Washington State University (Agency 3650)		
84.038	Federal Perkins Loan Program_federal Capital Contr	17,451,350 **S**
93.264	Nurse Faculty Loan Program	710,514 **S**
93.342	Health Professions Student Loans, Including Primar	2,145,134 **S**
93.364	Nursing Student Loans	1,439,140 **S**
	Washington State University Total	**21,746,138**
Eastern Washington University (Agency 3700)		
84.038	Federal Perkins Loan Program_federal Capital Contr	4,841,405 **S**
	Eastern Washington University Total	**4,841,405**
Central Washington University (Agency 3750)		
84.038	Federal Perkins Loan Program_federal Capital Contr	7,105,113 **S**
	Central Washington University Total	**7,105,113**
the Evergreen State College (Agency 3760)		
84.038	Federal Perkins Loan Program_federal Capital Contr	3,887,140 **S**
	the Evergreen State College Total	**3,887,140**
Western Washington University (Agency 3800)		
84.038	Federal Perkins Loan Program_federal Capital Contr	8,183,667 **S**
	Western Washington University Total	**8,183,667**

State of Washington
Schedule of Expenditures of Federal Awards
Note H: Supplemental Information - Outstanding Loan Balances

For the Year Ended
June 30, 2013
(Expressed in whole dollars)

Federal Catalog No.	Federal Program Title	June 30, 2013 Outstanding Loan Balances
Community College Systems (Agency 6990)		
84.038	Federal Perkins Loan Program_federal Capital Contr	1,656,026 **s**
	Community College Systems Total	**1,656,026**
	Total Loan Balances	**108,553,413**

Footnote:
s - Amount included on schedule of expenditures of federal awards

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The State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	001	Finding:	State's internal controls over payroll payments processed by Human Resources Management System and Medicaid payments processed by ProviderOne are inadequate to ensure those payments are properly processed and recorded.
		Questioned Costs:	None
		Status:	Corrective action in progress
		Corrective Action:	**Human Resource Management System (HRMS) Controls** The Department of Enterprise Services (DES) and the Office of Financial Management (OFM) in partnership with the Personnel Payroll Association (PPA) Executive Committee are currently analyzing options to incorporate additional controls in HRMS to help prevent state employees from receiving unreasonable payroll payments due to incorrect input. The state's analysis will include the following: By June 30, 2014: • Evaluating the current preventative control, that halts processing of an individual's gross pay if it is over $25,000, to determine if the threshold should be reduced. By June 30, 2015 • Evaluating the addition of HRMS system warnings to control input of data to prevent payments to individuals that exceed a reasonable amount. Potential controls include restricting the number of hours allowed to be entered in the system based on the employees scheduled hours (or not to exceed 24 hours in one day), warnings when hours are being entered that do not meet certain criteria, and warnings for excessive hourly rates. • Analyzing existing exception reports to determine if additional warnings should be included. **HRMS System Security** The Department of Enterprise Services modified an internal control process which provided for additional segregation of duties. This change ensured that no individual would have access to make changes in programs and promote into production without review or approval from a second individual. This was completed on December 1, 2013.

The State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	001 (Cont'd)	**HRMS Disaster Recovery** As of October 2013, the Department of Enterprise Services upgraded and virtualized the HRMS platform. This upgrade has made the environment more robust, scalable, supportable and easier to recover in an event of a disaster. By July 2014, the Department will update their disaster recovery/business resumption plans as a result of the upgrade and change to the operating environment, and test the disaster recovery/business resumption plans. This test will include the necessary training to staff on procedures to follow in case of an emergency. By August 31, 2014, all plans, testing and training will be documented and certified by the Director of the Department and will be included in the annual disaster recovery/business resumption plan confirmation letter that must be included in the Department's IT portfolio for submission to the Office of the Chief Information Officer. **Department of Social and Health Service Payroll Processing Controls** The Department has developed and implemented several corrective actions in response to this finding. In April 2013, the Department implemented the use of a threshold report that is used to identify payroll payments exceeding $5,000 on a single payday. This will allow staff to screen for and prevent inappropriate payroll payments from being made. In November 2013, the Department took several corrective actions to better monitor and process payroll payments, including: • Expanding Leave Tracker (the Department's time and leave reporting tool) to Department facilities. • Posting instructions to the Department's Financial Services Administration website to clarify the use of the Preemptive Payroll Journal (S4259) which can assist staff in determining the accuracy of payroll. • Providing training to staff in time and attendance procedures and Leave Tracker. • Using Lean management tools to document and improve payroll processes.

The State of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	001 (Cont'd)		**Provider One:** The Health Care Authority disagrees with this finding. The Authority does not agree that ProviderOne security reviews are lacking or that lack of controls and monitoring in the contract introduce a significant system security review deficiency. While neither expected nor required by the federal government for any Medicaid payment system, to strengthen the Authority's ability to monitor vendor controls, the Authority added a requirement for external audit to the ProviderOne vendor contract in January 2013. This includes security reviews of servers and production databases and will provide additional assurance that effective controls are in place. Under the new requirement, the ProviderOne vendor is required to undergo biennial Service Organization Control (SOC) examinations and obtain reports from subcontractors. As previously reported, the satisfaction of this SOC examination occurs in multiple phases including the final completion of the examination in the first quarter of 2014. The following milestones of this audit were completed on time in 2013 and the ProviderOne vendor has met all contractual obligations: • On March 31, 2013, the ProviderOne vendor provided the Authority the required examination reports from subcontractors. • On December 31, 2013, the ProviderOne vendor completed documentation for the controls and delivered results to the Authority. • The final phase of this audit is on target to be completed in the first quarter of this year. The Authority has and continues to ensure that the appropriate safeguards and effective controls are in place to protect Medicaid program integrity and data security. The conditions noted in this finding were previously reported in findings 12-01.
		Completion Date	Estimated June 2015

University of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	002	Finding:	The University of Washington did not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act (FFATA) are filed for the Research and Development cluster.
		Questioned Costs:	CFDA# / Amount 12.000 / $0 12.300 47.050 93.351 93.847 93.853 93.859 93.865
		Status:	Corrective action in progress
		Corrective Action:	The University has processes in place to review each subaward executed to determine whether Federal Funding Accountability and Transparency Act (FFATA) is applicable and therefore required to be submitted in the FFATA Subaward Reporting System (FSRS). Starting in December 2012, the University updated its FSRS reporting process to include maintaining an electronic copy of each report filed. The University will add a monthly review of all new subawards executed each month to ensure subawards are being reported in the FSRS system if applicable. In addition, the University will add a secondary review of draft FSRS reports each month before submitting the reports to ensure all information has been entered accurately.
		Completion Date:	Estimated June 2014

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Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	003	Finding: The Department of Commerce does not have sufficient internal controls to ensure all of its subrecipients receive audits as required. Questioned Costs: CFDA# — Amount 14.239 — $0 66.468 66.468 ARRA 93.568 93.569 Status: Corrective action in progress Corrective Action: The Department concurs with the finding. To address the fiscal year 2012 subrecipient finding, the Department enhanced the functionality of the Contract Management System (CMS) to provide a report of those entities expending $500,000 or more in federal funds, the entity's fiscal year end date, and the due date of the A-133 audit. The fiscal year 2013 finding states the Department lacked clear communication on policies and procedures. The Department will review existing policies and procedures to more clearly articulate the responsibilities of the Internal Auditor and Program Managers for these processes. The Department will communicate the results of the review through all levels of the Department. Corrective action will include reviewing current policies and procedures, establishing roles and responsibilities, and stating time frames. Updates to policies and procedures will include production of a quarterly report for divisions to use to identify A-133 audit reports that are due. The reports will enable the Department to proactively remind entities of their audit report due dates. The policy will provide guidance when audit reports are delinquent. Training related to policy changes will be tracked. Testing of the implementation will be conducted. The Department will obtain the missing audit reports identified in the finding. During fiscal year 2013, the Department began a process of identifying and contacting grantees that did not meet the threshold for A-133 audit requirements. The Department will continue to enhance the process of identifying those recipients who received less than $500,000 from the Department and may have received federal funding from other sources. This will ensure the Department identifies and obtains the required audit reports.

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	003 (Cont'd)	The Internal Auditor will report to executive management quarterly on the progress to obtain missing A-133 reports, and provide data on audit reports currently received or due, training attendance, and improvements made to existing processes. The conditions noted in this finding were previously reported in finding 12-09 and 11-10. Completion Date: Estimated September 2014

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	004	Finding:	The Department of Commerce does not have sufficient internal controls to ensure HOME Investment Partnership program income is used before requesting federal cash draws.
		Questioned Costs:	CFDA# 14.239 — Amount $0
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with the finding. The Department did not record program income in the Integrated Disbursement and Information System (IDIS) in 2013 because staff new to the program was unable to navigate IDIS and was unaware of the requirement to input program income information. The reconciliation did not identify the missing IDIS information; it only included the bank and account balances. The current process to reconcile the bank balance to IDIS will be reviewed to strengthen internal controls. The Department will refine its methodology for ensuring program income is spent before federal funds are drawn. The methodology will address the use of program income for both project and administrative costs. In addition, the HOME program will update the procedures manual to: • Reference the regulations related to HOME program income. • Provide detailed navigation steps for IDIS. • Assign specific staff responsibilities. • Include instructions for establishing discrete accounting codes for federal and program income funds, to include separate codes for Department administration, grantee administration, and project expenses. The Accounting Department will update the procedures manual to: • Reference the regulations for use of HOME program income. • Outline the steps required before federal dollars are drawn, this includes requirements for entering the program income into IDIS prior to drawing funds. • Assign specific staff responsibilities, including supervisory review. • Identify the timing of notification to program management of program income balances.

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	004 (Cont'd)	Oversight of our corrective actions will include: • Monthly report of program income balance, interest earned, and uses of the balances will be provided to the Program Manager of the HOME program. • Monthly review by the Accounting Supervisor of the reconciliation. • Testing of the corrective action process by the Internal Auditor to ensure the corrective actions implemented effectively address federal draw requirements. The Department determined the interest on the program income account was $96. The Department will ensure the interest earned on the program income remains below $100 in the future by maintaining a minimal balance in the program income bank account. The conditions noted in this finding were previously reported in finding 12-08. Completion Date: Estimated September 2014

Employment Security Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	005	Finding:	The Employment Security Department did not attempt to collect $881,375 overpaid to claimants for Federal Additional Compensation unemployment and insurance.
		Questioned Costs:	CFDA# — Amount 17.225 ARRA and non-ARRA — $881,375 ARRA
		Status:	Corrective action complete
		Corrective Action:	On September 7, 2012, the Department completed the necessary computer programming to bill, collect, and account for Federal Additional Compensation (FAC) overpayments. While the questioned costs are no longer collectible under state law, billing statements were mailed to claimants who had outstanding FAC overpayment balances. As of December 6, 2013, the Department successfully collected $4,616,730 in FAC overpayments. Department collection efforts will continue as permitted by state and federal law. During fiscal year 2013, outstanding questioned costs of $440,925 for fiscal year 2012 were reviewed as part of the U.S. Department of Labor (USDOL) audit resolution process. Although the costs were not allowed, the federal grantor waived collection. The Department will address the fiscal year 2013 questioned costs with the USDOL. The condition noted in this finding was previously reported in finding 12-10.
		Completion Date:	September 2012

Employment Security Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	006	Finding:	The Employment Security Department did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Workforce Investment Act program.
		Questioned Costs:	CFDA# — Amount 17.258 ARRA and non-ARRA — $0 17.259 17.260 ARRA 17.278
		Status:	Corrective action in progress
		Corrective Action:	The Department is aware of its responsibility for reporting federal sub-grant awards on the Federal Funding Accountability Transparency Act Sub-award Reporting System (FSRS). The Department has developed policies and procedures for ensuring sub-awards are properly reported on the FSRS and that entries are reviewed and reconciled to the federal grant documents for accuracy. Also, the Department has attempted for several months to update the information in the FSRS and has been unable to do so. Specifically, the Department has been unable to update a critical field required for reporting purposes (zip code plus 4 in the address field). Department staff have contacted the federal website help desk several times and have been unable to get assistance to resolve the issue. The Department is documenting these attempts as directed by the State Auditor's Office to reflect its good faith effort to comply with this requirement. The Department will continue to pursue resolution of this issue until it is corrected at the federal level and all sub-grant information is properly reported.
		Completion Date:	Estimated June 2014

Department of Ecology

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	007	Finding:	The Department of Ecology did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Performance Partnership Grant program.
		Questioned Costs:	CFDA# 66.605 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with the finding. To address the weaknesses noted in the finding, the Department has: • Conducted training on Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. • Clarified written procedures to ensure FFATA reports are submitted accurately, timely and reviewed by an appropriate manager. • Corrected improper sub-awards reported in the FFATA Sub-award Reporting System. • Communicated updated procedure and conducted training to the team assigned the responsibility of reporting FFATA data.
		Completion Date:	February 2014

Department of Ecology

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	008	Finding:	The Department of Ecology improperly claimed $53,971.49 in federal reimbursement for the Performance Partnership Grant program.
		Questioned Costs:	CFDA# 66.605 — Amount $53,972
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with the finding. The Department will establish Department wide procedures to ensure managers, supervisors and staff have guidance on how to properly charge work and leave time to federal grant programs. These procedures will be communicated to supervisors and staff once finalized. The Department will consult with the Environmental Protection Agency to determine if any questioned costs should be repaid.
		Completion Date:	Estimated June 2014

Office of the Superintendent of Public Instruction

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	009	Finding:	The Office of the Superintendent of Public Instruction does not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Migrant Education and Title IIA Improving Teacher Quality programs are filed.
		Questioned Costs:	CFDA# / Amount 84.011 / $0 84.367
		Status:	Corrective action complete
		Corrective Action:	The Office concurs that some sub-awards were not reported through the Federal Funding Accountability and Transparency Act Subaward Reporting System. Effective March 2014, a review will be conducted after sub-awards are submitted and any corrections will be made before the monthly reporting due date. The review will entail a spot-check of sub-awards to ensure accurate and complete reporting. Documentation of the review will be retained for audit purposes.
		Completion Date:	March 2014

Office of the Superintendent of Public Instruction

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	010	Finding:	The Office of the Superintendent of Public Instruction does not have sufficient controls over, and was not compliant with, the requirements for determining subawards for each school district's share of Migrant Education funding.
		Questioned Costs:	CFDA# 84.011 — Amount $0
		Status:	Corrective action in progress
		Corrective Action:	The Office agrees there was an error in the allocation of sub-awards for both regular and summer programs. The average error for each sub-award was $670 for the summer program and $1,653 for the regular program. Future allocations of sub-awards will be reviewed by the Director of Federal Fiscal Policy/Grant Management or designee. The review will entail an analysis of allocations to ensure they are accurately calculated and complies with federal regulations.
		Completion Date:	Estimated July 2014

Department of Services for the Blind

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	011	Finding:	The Department of Services for the Blind charged indirect costs related to the Vocational Rehabilitation program to its federal grant without an approved indirect cost rate.
		Questioned Costs:	CFDA# 84.126 — Amount $1,119,396
		Status:	Corrective action in progress
		Corrective Action:	The Department agrees with the finding. Upon receipt of the initial finding in 2012, the Department submitted an indirect cost rate proposal to the U.S. Department of Education on February 26, 2013 and requested a negotiated settlement for questioned costs. The Department has been working with the U.S. Department of Education since this time to receive approval of the indirect cost plan and a settlement of the questioned costs. Recent communications with the Department of Education indicated that they desire to have the issue resolved by February 28, 2014. Based on direction from the Rehabilitation Services Administration, the Department has ceased applying indirect costs to federal grants pending approval of the indirect cost rate proposal. Going forward the Department will include submission of the annual plan on its operations calendar to ensure the indirect cost rate is approved annually and the correct rate is used. The condition noted in this finding was previously reported in finding 12-17.
		Completion Date:	Estimated February 2014

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	012	Finding:	The Department of Health does not have sufficient internal controls to ensure it meets federal level of effort 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 complete
		Corrective Action:	The Department consulted with federal grantors on this matter to get a clear understanding of how level of effort should be determined. After this consultation, the Department identified the proper amount for level of effort for the 2013-2014 grant budget year and submitted that to federal grantors. A level of effort tracking system was developed and put into place in July 2013, which identifies level of effort funding sources and documents expenditures during the course of the grant budget year. The condition noted in this finding was previously reported in findings 12-21 and 11-20.
		Completion Date:	July 2013

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	013	Finding:	The Department of Health does not have sufficient internal controls over, and did not comply with, the Federal Funding Accountability and Transparency Act 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 complete
		Corrective Action:	The Department collected the Federal Funding Accountability and Transparency Act (FFATA) information and attempted to report this information, however the grant award was not added to the FFATA Subaward Reporting System (FSRS) by the grantor. The Department of Health does not have access to add missing awards. Per the auditor's recommendations, the Department revised its procedures and will email the federal grantor when awards reportable under the FFATA are not available to report on in the FSRS. This change was effective January 1, 2014.
		Completion Date:	January 2014

University of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	014	Finding:	The University of Washington does not have monitoring controls to ensure subrecipients expending $500,000 or more in total federal dollars obtain an audit.
		Questioned Costs:	CFDA# — Amount 93.266 — $0 93.145 93.600
		Status:	Corrective action complete
		Corrective Action:	During fiscal year 2013 the University monitored subrecipients and took steps to enhance monitoring controls. In addition to the existing monitoring controls that were already in place, the University: • Updated the audit notification language in our subcontracts regarding subrecipient audit requirements, including foreign entities and regardless of the amount of total federal United States dollars that the entity expends. • Conducted a review of all fiscal year 2013 active and current subcontracts to ensure the University had obtained and reviewed subrecipient audits, as required. • Enhanced the University's tracking and process documentation related to subrecipient monitoring including documentation of dates audit reports were obtained and reviewed. • Implemented a Subrecipient Financial Questionnaire used at initiation of each subcontract to assist in determining the audit status of each entity as well as to operate as a risk assessment tool. • Developed a master listing of all subrecipients and related audit information; and developed a Subrecipient Entity Review Form to document information related to the subrecipient's audit report and review. Starting in fiscal year 2014, the University developed a Subrecipient Annual Certification Form to be sent to and certified by each subrecipient entity annually to update the audit status of the entity. The condition noted in this finding were previously reported in finding 12-22.
		Completion Date:	Estimated June 2014

Department of Early Learning

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	015	Finding:	The Department of Early Learning does not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Child Care Development Fund program are filed.
		Questioned Costs:	CFDA# / Amount 93.575 / $0 93.596
		Status:	Corrective action in progress
		Corrective Action:	The Department accurately reported subrecipient awards under CFDA# 93.596, the Child Care Mandatory and Matching funds of the Child Care Development Fund. Subrecipient awards under CFDA# 93.575, the Child Care and Development Block Grant (CCDF), were not reported because information given to the Department from the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS) help desk in early state fiscal year 2013, as well as the lack of the option to report CCDF awards in FSRS, led the Department to believe this was not a requirement. The Department has made several attempts to get the coding added to FSRS and get further clarification on reporting requirements by contacting three different support desk personnel, its CCDF federal liaison, and the Office of Management and Budget (OMB). At this time the Department is still unable to report subrecipient information in FSRS for the CCDF awards, but as soon as the condition is rectified, the Department will report as required. The Department will be establishing policies and procedures to ensure compliance with FFATA reporting requirements, and will include a process for dual reviews of the data for accuracy. Additionally, the Department has developed a coding structure to aid in reconciliation at year-end to ensure accuracy of FFATA reports.
		Completion Date:	June 2014

Department of Early Learning

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	016	Finding:	The Department of Early Learning does not have adequate internal controls over direct payments to child care providers.
		Questioned Costs:	CFDA# / Amount 93.575 / $0 93.596
		Status:	Corrective action in progress
		Corrective Action:	The Department of Early Learning (Department) and Department of Social and Health Services (DSHS) continue to make consistent progress in actively auditing and recovering overpayments. In reviewing and establishing the overpayments found during the Audit of State Payments to Child Care Providers issued in October 2012, the Department and DSHS discovered errors in the calculation of overpayments included in the audit report. As a result, additional review time and adjustments to the overall overpayment amounts were necessitated. As the process identifies providers who have claimed more than authorized and/or have been overpaid, overpayments are being pursued through the overpayment processes. Prior to the start of this audit, DSHS Office of Financial Recovery (OFR), DSHS Office of Fraud and Accountability (OFA), and the Department agreed to implement a lean approach to the overpayment process, which focuses on using an existing but underutilized vendor overpayment system. As of February 2014, the Department has initiated work on the July 2012 reconciliation. Part of the audit team will work on fiscal year 2013, and the remaining team will work on fiscal year 2014, along with the federal Improper Payment Audit, so that both years are audited. The Department and DSHS will continue to actively audit for potential overpayments and seek timely reimbursement for overpayments. The condition noted in this finding was previously reported in findings 12-28, 11-23, 10-31, 09-12 and 08-13.
		Completion Date:	Estimated June 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	017	Finding: **The Department of Social and Health Services does not have adequate internal controls over client eligibility for the Child Care Development Fund.** Questioned Costs: CFDA# — Amount 93.575 — $0 93.596 Status: Corrective action in progress Corrective Action: The Department of Social and Health Services (the Department) and the Department of Early Learning (DEL) have taken and completed the following actions: The Department implemented the following monitoring protocols to establish an appropriate separation of duties between staff who determine eligibility and staff who authorize payments: • Regional staff review an integrity report quarterly, which identifies cases where the same staff member has authorized four or more payments in a 15 month period without authorization activity from other staff. To date, the report has not identified any cases resulting in a finding of improper authorization activities. • A separation of duties protocol has been instituted that does not allow a staff member who activates a license-exempt provider to make any payment authorizations for that provider. This electronic process reduces the potential for fraudulent payment authorizations. DEL has issued a request for proposals for a legislatively mandated time and attendance/payment system (AP), as well as for a new authorization interface (AI). The AI will be a new authorization and eligibility determination system, with the intent of streamlining the eligibility process. The goals of the new AI and AP systems are to reduce errors and fraud, and increase accuracy of payment authorization and billing by providers for services they provided. The new systems will reduce errors by decreasing the manual steps currently required. The Department will continue to perform the following child care authorization audits: • 1.6% of open authorizations.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	017	• 100% of exceptional payment authorizations to ensure they are reviewed and approved by a supervisor before payments are made. An example of an exceptional payment is when a child requires, and is authorized for, more than 230 hours of care per month due to extenuating circumstances such as a parent with multiple approved activities (school and work, etc.). • 100% of pre authorization and post authorization work for all new childcare workers. • Data provided monthly by the Health Care Authority which identifies error prone cases to audit for eligibility and areas where policy clarification, training, or systems support can increase accuracy. DEL established a specialized child care audit team January 1, 2012. The audit team is tasked with reviewing time and attendance records and provider payments. DEL hired five additional auditors in January 2013, increasing the audit team to nine members. The DEL audit team has increased the population of authorized payments reviewed for payment and billing accuracy. The Department and DEL will implement the following child care program reform initiatives*: • By June 2014, the Working Connections Automated Program (WCAP) screens will be updated so they are more user friendly and provide more accuracy in the eligibility determination process. • The Department will simplify and streamline child care verification requirements at the time of application, through certification period, and at recertification. The Department will update the Child Care Subsidy Program Handbook and will notify Community Services Division staff regarding the changes. **These child care program reform initiatives are part of the Aclara Reform Project. The Aclara Reform Project is co-sponsored by the Department and DEL in response to an external child care program review requested by the Legislature and performed by the Aclara Group.* The conditions noted in this finding were previously reported in finding 12-30. Completion Date: September 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	018	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# 93.659 — Amount $6,044
		Status:	Corrective action in progress
		Corrective Action:	During the course of this audit, the Department implemented corrective actions to prevent inappropriate payments. These actions were: • Implementing an automated process within FamLink to hold all payments at the age of 18. Social workers must have proper documentation in place prior to the continuation of payments. • Requiring fiduciary staff to review documentation that supports the need to continue payments for children beyond the age of 18. This is a secondary review that is done prior to the manual approval of an adoption assistance payment. By March 31, 2014, the Department will review the exceptions identified in the audit. The federal portion of any inappropriate payment will be returned to the grantor. The condition noted in this finding was previously reported in findings 12-32, 11-24, 10-32, 09-14, and 08-17.
		Completion Date:	Estimated March 2014

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	019	Finding:	The Department of Health did not survey all hospitals and home health agencies in accordance with the frequency stipulated by state and federal laws, which could increase the risk of Medicaid clients receiving substandard care.
		Questioned Costs:	CFDA# / Amount 93.720 ARRA / $0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	In an effort to meet federal requirements, the Department implemented a new process for performing state hospital and home health surveys and completed staff training on this process. This will help shorten the time and reduce the number of staff needed to complete the surveys. Under the new process with fully trained staff, the Department anticipates that all surveys will now be performed as required. The condition noted in this finding was previously reported in findings 12-33 and 11-25.
		Completion Date:	January 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	020	Finding: The Health Care Authority does not comply with the data-sharing requirements of 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 93.720 ARRA — $0 93.775 93.777 93.778 ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Authority continues to disagree with this finding. The Authority is in compliance with the Deficit Reduction Act of 2005 and associated state law. The Authority meets this standard by making data available to all insurers to use for third-party liability reporting and by matching data directly with those insurers most likely to provide third-party coverage to Medicaid recipients. Although the Authority maintains its compliance with the Deficit Reduction Act, it has also taken steps to enhance data sharing to ensure that it continues to have a strong third-party liability program. Those steps include: • Implementation of the Payer-Initiated Eligibility/Benefit Transaction (PIE) in July 2013, and subsequent communication with major insurers in Washington state requesting their participation in implementation of the PIE transaction and electronic sharing of third-party liability data. While other states have adopted other formats for data sharing, PIE is the actual manner and national standard format for data sharing. Although the Authority has successfully implemented the PIE transaction and will continue to encourage carrier adoption, it is important to note that the Authority has no authority to compel carriers to participate in use of the transaction for electronic data exchange. The Authority's successful implementation is viewed by the federal Centers for Medicare and Medicaid Services as a model implementation and best practice.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	020 (Cont'd)	• In addition, the Authority has had a contract with Health Management Systems Inc. since February 2011, to provide enhanced data matching and identification of a client's primary 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. Completion Date: July 2013

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	021	Finding:	The Health Care Authority did not have adequate controls in place to ensure all critical access hospitals were paid accurately.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $ 0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority partially disagrees with this finding. The Authority follows its current Washington Administrative Code (WAC) as it relates to the requirement for Critical Access Hospitals (CAH) to submit their 'as filed' and 'final settled' versions of their Medicare cost report to the Authority. WAC 182-550-2598 (11) states: "The department performs finalized cost settlements using the same methodology as outlined in subsection (10) of this section, except that the department uses the hospital's "final settled" medicare cost report instead of the initial "as filed" medicare cost report for the HFY being cost settled. The "final settled" medicare cost report received from the medicare fiscal intermediary must be submitted by the CAH to the department by the sixtieth day of the hospital's receipt of that medicare cost report." The Authority now uses the Center for Medicare and Medicaid Services Healthcare Cost Report Information System database to obtain final cost report data for these hospitals. The Authority is currently performing the final settlements on the outstanding cost reports identified in the finding.
		Completion Date:	Estimated January 2015

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	022	Finding:	The Health Care Authority did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $ 171,568 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority concurs that there were instances of missing Social Security numbers due to staff errors. The Authority will review training opportunities with staff whose primary duties include processing of Medicaid applications. This training will include policy, procedures, and proper use of automated systems. The Authority will review all cases identified in the finding and re-determine eligibility and consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.
		Completion Date:	Estimated December 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	023	Finding: The Health Care Authority does not have adequate controls to ensure inpatient high outlier payments to hospitals are accurate. Questioned Costs: CFDA# — Amount 93.720 ARRA — $42,196 93.775 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority partially disagrees with this finding. The Authority follows its current Washington Administrative Codes (WACs) correctly in calculating outlier costs. It removed "noncovered charges" as they are defined in the below WACs: • WAC 182-550-3700 (14) "…. The estimated costs of the claim are calculated by multiplying the total submitted charges, minus the noncovered charges on the claim, by the hospital's ratio of costs-to-charges (RCC) rate…" • WAC 182-550-1050 '….."Noncovered charges" means billed charges submitted to the department by a provider on a claim that are indicated by the provider on the claim as noncovered." The WAC does not address denied charges. The auditor excluded both noncovered and denied charges in the high outlier payments calculation. The Authority is/has taken the following steps for addressing the findings: • The Authority is currently working to change its WAC and payment system to align with the auditor's calculation methodology. Both are scheduled to be in place and effective for claims with admit dates on or after August 1, 2014. At that time, denied charges will no longer be included in the part of the outlier calculation related to costs. • The Authority has reallocated the inpatient program workload in order to allow additional capacity for monitoring system and rate changes. All changes are then reviewed by Authority staff for accuracy. The Authority initiated action to recoup and repay incorrect payments identified by the auditor that were paid with the outdated high outlier calculation. For the other claims, as stated above, the current WAC does not allow the agency to remove charges, other than those that the WAC defines as "noncovered charges" when the agency calculates costs for outlier payments.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	023 (Cont'd)	The Authority will follow its standard procedures for the repayment of questioned costs. Completion Date: Estimated July 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	024	Finding:	The Health Care Authority's internal controls are insufficient to ensure payment rates for its Healthy Options managed care program are accurate, resulting in over $95,000 in potential overpayments on premium rates paid to the managed care organizations.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $47,686 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action not taken
		Corrective Action:	The Authority does not concur with this finding. The Authority disagrees with the methodologies used to identify questioned costs in this audit finding for three reasons. First, questioned costs were identified in a performance audit which is intended to improve management of the program. No evidence is presented to support that the payments in question directly impact the managed care rates, as the auditor claims. As a result, the Authority is unable to confirm the questioned costs. Second, the audit finding states that items identified as "errors" were "not paid in compliance with standard medical coding practices or were not properly supported with appropriate documentation". This is not necessarily an overpayment; it only shows that documentation should be stronger and practices need to be standardized. Finally, the audit finding uses an actuarial analysis to assert that "for every $1 in overpayments made by the two audited MCOs to their providers in 2010, the state potentially paid an additional $1.26 in premiums to all MCOs in fiscal year 2013." While this analysis can be used to identify performance improvements possible in the managed care program, the analysis clearly states there is only a potential for overpayment. No identification of an actual overpayment is made. In addition, the actuarial analysis is not based on the sample of payments in question. In the background section of the finding, it is noted that this repeat finding questions the accuracy of encounter data and cites the lack of review of data provided to the actuary and used to set rates.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	024 (Cont'd)	The Authority agrees that additional oversight and controls of Managed Care Organizations (MCO) will strengthen the state's ability to adequately manage the MCO contracts. Organizational and contract changes that increase oversight were implemented and include: • Establishment of an Encounter Data Quality Control Unit for validation of encounter data. Established fall of 2013. • Addition of an encounter data reconciliation process into the 2015 managed care contract. This process validates submitted encounter data against MCO cost reports and includes withhold provisions and returns funds if MCOs are able to adequately reconcile to cost reports. The conditions noted in this finding were previously reported in findings 12-47, 11-40, 10-44 and 09-22. Completion Date: N/A

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	025	Finding:	The Health Care Authority did not invoice Medicaid drug rebates to drug manufacturers in accordance with the time frame stipulated by state and federal laws.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority agrees with the finding. The Authority strives to ensure that drug rebate invoices reflect correct utilization and unit rebate amounts. As such, system modifications and unanticipated data patches have had to be implemented which caused the invoice delays. The Authority is taking the following steps to improve timely invoicing for drug rebates: • Re-evaluate and streamline the invoicing workflow established during the ProviderOne implementation. • Review responsibilities and timeline requirements for each element of the invoicing process. • Elevate drug rebate system modifications to a higher priority.
		Completion Date:	Estimated December 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	026	Finding:	The Health Care Authority's inadequate internal controls over claims from Federally Qualified Health Centers led to more than $226,279.66 in improper payments to providers.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $113,139 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority agrees with the finding. The Authority is performing the following activities to address this finding: • Complete the update of both the Washington Administrative Code (WAC) and provider billing guide to clearly define allowable encounters; and • Update ProviderOne system logic to align with the WAC and billing guide and ensure that system edits are in place to prevent overpayments and improper billings at the point of claim submission. In addition, the Authority will recoup the overpayments from the Federally Qualified Health Centers and work with the U.S. Department of Health and Human Services to discuss repayment of questioned costs. The conditions noted in this finding were previously reported in finding 12-45.
		Completion Date:	Estimated December 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	027	Finding: The Health Care Authority's inadequate internal controls over claims for dental services led to more than $584,511.96 in overpayments to providers. Questioned Costs: CFDA# — Amount 93.720 ARRA — $ 292,256 93.775 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority agrees with the finding. The Authority is taking the following steps to address the audit finding: • Fluoride treatment for children: The Authority agrees that the billing guide, Washington Administrative Code (WAC) and ProviderOne are not aligned. The Authority's intent is to allow fluoride with limits based on the client's age and client type, per client, per provider. The Authority is correcting the WAC as a result of the previous fiscal year's audit, a process that should be finalized by April 2014. • Dental Cleanings: The previous fiscal year's audit identified system issues that have been corrected and the Authority's Office of Payment Integrity is recouping overpayments. • Oral Evaluations: The previous fiscal year's audit found that the Authority's billing guide and WAC were not aligned with ProviderOne and the Authority's intended policy to allow periodic oral evaluations three times per year for clients of the Developmental Disabilities Administration to coincide with cleanings. The Authority is updating both the WAC and the billing guide, which should be finalized by April 2014. • Orthodontic Services: Although Authority rule limits the services to once in a lifetime the rules also permit exceptions to this limit through the Authority's prior authorization process based on Early Periodic Screening, Diagnosis and Treatment (EPSDT) and exception to rule. The Authority reviewed the seven claims identified in this audit and found that in each case the provider requested prior authorization and the Authority granted authorization based on the clients' medical necessity. • Oral Hygiene Instructions: The Authority identified a system issue which has been corrected.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	027	The Authority will follow its standard procedures through the Office of Program Integrity for recouping overpayments and repayment of questioned costs. The conditions noted in this finding were previously reported in finding 12-53. Completion Date: Estimated April 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	028	Finding:	The Health Care Authority did not complete the required security reviews of ProviderOne, the new Medicaid Management Information System, risking the loss of Medicaid program assets and jeopardizing Medicaid program integrity.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority disagrees with this finding. The Authority does not agree that ProviderOne security reviews are lacking or that lack of controls and monitoring in the contract introduce a significant system security review deficiency. While neither expected nor required by the federal government for any Medicaid payment system, to strengthen the Authority's ability to monitor vendor controls, the Authority added a requirement for external audit to the ProviderOne vendor contract in January 2013. This includes security reviews of servers and production databases and will provide additional assurance that effective controls are in place. Under the new requirement, the ProviderOne vendor is required to undergo biennial Service Organization Control (SOC) examinations and obtain reports from subcontractors. As previously reported, the satisfaction of this SOC examination occurs in multiple phases including the final completion of the examination in the first quarter of 2014. The following milestones of this audit were completed on time in 2013 and the ProviderOne vendor has met all contractual obligations: • On March 31, 2013, the ProviderOne vendor provided the Authority the required examination reports from subcontractors. • On December 31, 2013, the ProviderOne vendor completed documentation for the controls and delivered results to the Authority. • The final phase of this audit is on target to be completed in the first quarter of this year. The Authority has and continues to ensure that the appropriate safeguards and effective controls are in place to protect Medicaid program integrity and data security.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	028 (Cont'd)	The conditions noted in this finding were previously reported in finding 12-48. Completion Date: Estimated June 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	029	Finding:	The Health Care Authority improperly claimed $73,788.62 in federal reimbursement for unallowable services provided to undocumented aliens and services that were not rendered to deceased Medicaid clients.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $73,789 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority concurs that it made improper reimbursement for Medicaid clients where later research and analysis showed the clients were deceased; however, the Authority believes that adequate controls are in place to identify deceased clients as soon as possible following the date of death. Specifically, the Authority receives death records from the Department of Health, as soon as they are available, to identify Medicaid clients. Payments to deceased clients have been significantly reduced. The Authority also concurs that it made payments on behalf of non-qualified aliens for non-emergency related services. The Authority will continue to provide training to staff on proper coding of services provided to non-qualified aliens. The Authority will review all cases and consult with the U.S. Department of Health and Human Services to discuss repayment of the questioned costs.
		Completion Date:	Estimated December 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	030	Finding:	The Health Care Authority did not have adequate controls in place to ensure violations of Medicaid laws and regulations by providers are identified, investigated and referred to the Medicaid Fraud Control Unit, risking the loss of public resources.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $ 0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress.
		Corrective Action:	The Authority does not concur with this finding. The Authority maintains that adequate controls are in place to ensure that violations of Medicaid laws and regulations, including all fraud related cases, are identified and referred to the Medicaid Fraud Control Unit (MFCU) in a timely manner. All referrals received by the Office of Program Integrity (OPI) are initially scrutinized for materiality, severity, and credibility before they are entered into the Case Tracking application; those deemed most substantive are reviewed immediately, and all fraud related cases are referred to MFCU. OPI staff has historically entered all referrals, both fraud and non-fraud related client complaints, into the Case Tracking tool, as well as Medical Service Verification cases, even though they reflect cases of historically low risk and low value. The number and age of cases tracked are therefore not accurate measures of how OPI manages referrals or processes allegations of fraud and it is wrong to conclude that the Authority does not have control of its caseload and does not refer all appropriate cases to the MFCU in a timely manner. Processes are in place to prioritize the work of Surveillance and Utilization Review Section investigators, ensuring that the Authority is addressing those cases with the highest potential for fraud, waste, and abuse, and properly utilizing our resources to focus on cases that yield the highest return on investment. While disagreeing with the finding, the Authority concurs with several recommendations in the audit. The OPI is currently writing and revising its policies and procedures; increasing supervisory oversight and control of staff activities and documentation; and analyzing the feasibility of enhancement or replacement of its current case tracking system.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	030 (Cont'd)	These operational initiatives will provide additional focus and strengthen OPI's internal processes. Completion Date: Estimated August 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	031	Finding: The Health Care Authority did not have adequate controls in place to ensure services billed by providers were rendered to Medicaid beneficiaries, risking the loss of Medicaid resources. Questioned Costs: CFDA# — Amount 93.720 ARRA — $ 0 93.775 93.777 93.778 ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Health Care Authority (Authority) does not concur with this finding and asserts that adequate controls are in place to ensure Medicaid services billed by providers were rendered to Medicaid clients. The Authority maintains that it is in compliance with 42 CFR 455.20 that states "the agency must have a method for verifying with beneficiaries whether services billed by providers were received." The Authority does have such a method in place, although planned improvements to that process were not completed during fiscal year 2013. Although fraud might be detected by issuing random verification forms, experience has proven that limited staff resources are better utilized when the targets for oversight are strategically selected. Using informed allegations, as well as sophisticated analytical tools (behavior modeling, algorithms, comparisons and trends, spike reports, etc.) the Office of Program Integrity has identified millions in overpayments. By contrast, the Medicaid Services Verification (MSV) process has proven to have no value in detecting fraud and the Authority maintains that resources spent on MSV processing actually reduces its ability to focus on program integrity activities that increase controls. While disagreeing with the finding, the Authority concurs with several recommendations in the audit. The change request that refines the service selection process and includes the beneficiary on the form has been approved and is scheduled for implementation in July 2014. In addition, the Office of Program Integrity is currently writing and revising policies and procedures, and increasing supervisory oversight and control of staff activities and documentation. Together, these actions will eliminate the causes of the audit conditions.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	031 (Cont'd)	The conditions noted in this finding were previously reported in finding 12-54, and 11-39. Completion Date: Estimated August 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	032	Finding:	The Health Care Authority does not have adequate internal controls to ensure Medicaid drug rebate amounts are accurately reported in CMS 64 report.
		Questioned Costs:	CFDA# / Amount 93.720 ARRA / $ 0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority agrees with this finding. The formatting and formulas on the report used to prepare the Medicaid Drug Rebate Schedule (CMS-64.9R) have been reviewed and corrected. The CMS-64.9R was completed and reported correctly for the December 2013 quarter. The Authority will work with the Center for Medicare & Medicaid Services to address the errors on the previously reported CMS-64.9R forms.
		Completion Date:	Estimated August 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	033	Finding: The Department of Social and Health Services, Aging and Disability Services Administration, did not respond to nursing home complaints in a timely manner, which could leave Medicaid clients residing in nursing homes vulnerable to serious injury or harm. Questioned Costs: CFDA# — Amount 93.720 ARRA — $0 93.775 93.777 93.778 ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department initiated corrective actions on this finding during the course of the audit. The following actions were taken to strengthen the Department's internal controls surrounding responses to nursing home complaints: • A Lean process improvement was completed in December 2013. This helped identify workflow issues that contributed to the unit's inability to process intakes within the required time frames. • In December 2013, the Complaint Resolution Unit (CRU) implemented the following workflow changes: o All intake workers participated in significant training to improve the quality of their initial and final work product. This relieved a workflow chokepoint by allowing the supervisors to target their quality review and support activities. It also greatly reduced rework of intakes. o The CRU changed from a general queue of pending intakes to assignment of intakes to individual workers. Each worker is held accountable for timely completion of their assigned intakes and their queue is reviewed twice a day by a supervisor. o Triage nurses were better utilized by changing their role from quality review of each intake to that of targeted technical assistance available to workers and supervisors. Targeted technical assistance focused on more complex and difficult complaints. This is possible because of the additional training to the workers and the realignment of supervisors' duties.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	033 (Cont'd)	By February 2014, the Department eliminated the backlog of pending intakes by temporarily assigning Field Unit Managers the task of working on the backlog of intakes. Since the Department has resolved the backlog and improved workflow, the onsite surveys are being conducted in a timely manner. Completion Date: February 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	034	Finding:	The Department of Social and Health Services, Aging and Disability Services Administration, did not adequately monitor supported living service providers to ensure all staff with contact to Developmentally Disable clients have a proper background check and are authorized to have access to vulnerable supported living clients.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	In December 2013, the Department completed its meeting with residential providers across the State. Information and training was provided at these meetings on the updated background check policy. The updated policy included clearer language on background check standards. In March 2014, the Department held a provider leadership meeting and discussed background check rules and policies. Starting in March 2014, and ending in December 2014, the Department will hold regional quarterly provider meetings. In the course of these meetings the Department is planning on training providers and providing information on current background check policies. The Department took action on most of the exceptions identified in the audit and will review outstanding exceptions by April 30, 2014. Staff identified as having a disqualified background check were immediately removed from having any access to the Department's clients served by that agency. The Supported Living administrator or designee provided verification of this action to the Department.
		Completion Date:	Estimated December 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	035	Finding:	The Department of Social and Health Services, Developmental Disabilities Administration made overpayments to providers totaling $236,892.73.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $118,446 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department disagrees with this finding. The Department has a cost settlement reconciliation process that corrects and adjusts supported living payments. The auditor's review was completed on a state fiscal year, July 1 through June 30, while the Department's Developmental Disabilities Administration (DDA) review is conducted annually on a calendar year. This in effect overstated any overpayment; half the year audited had yet to be reconciled by the Department. Had the reconciliation for calendar year 2013 occurred within the audit cycle, the Department would have corrected most, if not all, of the overpayments identified. All overpayments identified in the audit have been forwarded to the Department's Office of Financial Recovery (OFR) for collection, consistent with DDA practices. At the end of one year, the federal grantor will be reimbursed if OFR is unable to collect the overpayment. Also, if the U.S. Department of Health and Human Services contacts the Department, action will be taken accordingly. The Department is confident its settlement process identifies nearly all overpayments; however, the Department is not satisfied until the overpayments are immaterial. To meet this end, the DDA added staff to the reconciliation process in February 2014. Also, if the budget allows, the Department plans to add additional staff for cost report reconciliation as a quality assurance measure. Finally, the Department plans on automating the reconciliation process with additional edits with the ProviderOne system that will prevent duplicate payments. This is tentatively scheduled for the last quarter of 2014.
		Completion Date:	March 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	036	Finding:	The Department of Social and Health Services, Developmental Disabilities Administration did not have adequate control to ensure Medicaid payments to supported living service providers are allowable and supported, resulting in unallowable payments of $133,128.
		Questioned Costs:	CFDA# / Amount 93.720 ARRA / $66,564 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Department did not concur with this finding. However, the Department did develop a corrective action plan to help make its current processes more efficient. Supporting living providers are required to submit cost reports each April. By July 2014, the Department will reconcile the hours and Instruction Support Service (ISS) dollars authorized against hours and ISS dollars provided. If the reconciliation process identifies an overpayment, the Department will forward the overpayment to the Office of Financial Recovery for collection. If the U.S. Department of Health and Human Services contacts the Department about the questioned costs, the Department will act accordingly. By September 2014, the Department will conclude its first year of auditing 20 percent of supported living providers. The scope of the audits is to reconcile employee's hours against specific agency households. The conditions noted in this finding were previously reported in finding 12-39.
		Completion Date:	Estimated September 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	037	Finding:	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not adequately monitor adult family home providers to ensure all caregivers and resident managers who are employed directly or by contract have proper background checks.
		Questioned Costs:	CFDA# / Amount 93.720 ARRA / $0 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	Starting on March 31, 2014 when the Department conducts an on-site certification review of providers it will verify background checks for 100 percent of the employees employed by the provider at the time of the site visit.
		Completion Date:	Estimated March 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	038	Finding:	The Department of Social and Health Services, Developmental Disabilities Administration did not have adequate internal controls to ensure cost of care adjustments paid to supported living service providers are allowable and supported, resulting in unallowable payments of $604,661.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $302,331 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Department has developed several corrective actions in response to this finding. By April 2014, the Department will: • Update the Cost of Care Adjustment form so it will include the updated guidelines for processing actual Cost of Care Adjustments (the updated form will be implemented in July 2014). • Communicate the updated guidelines to staff and providers. By June 2014, the Department will: • Provide training on updated guidelines to Residential Resource Managers. • Review updated information with contracted providers at the Regional Quarterly Provider meetings. The Department is of the opinion the cost of care adjustments paid to supported living providers were accurate, and will work with the U.S. Department of Health and Human Services to resolve the questioned costs.
		Completion Date:	Estimated July 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	039	Finding:	The Department of Social and Health Services, Developmental Disabilities Administration, did not consistently pay supported living providers at authorized daily rates.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $695 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	In February 2014, the Department reviewed the three exceptions identified in the audit. Two overpayments were written and submitted to the Office of Financial Recovery for further collection actions. After reviewing the third exception, the Department determined an overpayment did not exist. The Department is in the process of changing the current payment system from the Social Service Payment System (SSPS) to ProviderOne (P1). The P1 payment system will have edits that will only allow non-duplicated approved rates to be paid. This will alleviate payment errors caused by duplicate authorizations. It is anticipated this will be implemented by October 2014. By December 2014, the Department is anticipating developing an automated system that transfer electronically approved rates to the rate file. This will also allow for electronic transfer to P1 for payments.
		Completion Date:	Estimated December 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	040	Finding:	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not perform background checks for some in-home care individual providers in accordance with state law.
		Questioned Costs:	CFDA# — Amount 93.720 ARRA — $182,305 93.775 93.777 93.778 ARRA and non-ARRA
		Status:	Corrective action in progress

		Corrective Action:	The Department concurs with this finding, although the contracts for the majority of disqualified individual providers (39 of 48) were terminated by the Department's Aging and Long-Term Support Administration (ALTSA) prior to the audit.
			
			Corrective action plans were developed and implemented as a result of the fiscal year 2012 audit; however, the fiscal year 2013 audit does not capture the results of the corrective actions taken by the Department due to the timing of the audit.
			
			As a result of the fiscal year 2013 audit, and to continue the corrective actions developed following the fiscal year 2012 audit, the Department will take the following actions:
			• By the end of March 2014, the Department will terminate payments to any provider who does not have a current qualifying background check.
			• By April 2014, the Department will:
			  o Terminate contracts of providers who fail to comply with requests to have current background checks completed, and
			  o Review and adapt existing corrective action plans, and develop new corrective action plans with local offices where significant deficiencies were identified.
			• By May 2014, the Department will develop training materials to distribute to field offices to ensure staff understand how to interpret the different types of determination letters produced by the Background Check Central Unit (BCCU). By July 2014, a management bulletin will be distributed to all staff reminding them of current background check policies. Training materials will also be included.
			• In October 2014, the field offices will report to ALTSA on corrective action plans that were implemented in April 2014.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	040 (Cont'd)	• In November 2014, the Department will consult with the U.S. Department of Health and Human Services regarding questioned costs identified in this audit. • By February 2015, the Department's Home and Community Services Division will have completed its work with BCCU on process improvements on the background check process. Policies and procedures will be updated accordingly and communicated with the field offices. The conditions noted in this finding were previously reported in finding 12-41. Completion Date: Estimated February 2015

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan

2013	041	Finding: The Department of Social and Health Services improperly claimed $691,869.10 in federal reimbursement for the Medicaid program.
		
		Questioned Costs:
		CFDA# — Amount
		93.720 ARRA — $691,869
		93.775
		93.777
		93.778 ARRA and non-ARRA
		
		Status: Corrective action in progress
		
		Corrective Action: This finding involved three administrations within the Department: the Aging and Long Term Support Administration (ALTSA); the Children's Administration (CA); and the Economic Services Administration (ESA). The three administrations concurred with the findings. Each took corrective actions specific to their administration.
		
		ALTSA:
		• In October 2013, ALTSA updated account coding in ProviderOne to properly reflect service provided to nonqualified aliens to ensure charges are not paid for with Medicaid funds.
		• In January 2014, ALTSA:
		  o Returned questionable costs to the federal grantor.
		  o Implemented a monthly report review process that identifies potentially unsupported payments, which are payments made after the client's date of death. Reports are reviewed monthly by staff who take action on identified invalid payments.
		• By the end of March 2014, the Department will verify all unallowable costs have been moved to state only funding.
		
		CA:
		• In August 2013, CA established and implemented an account code for nonqualified aliens who receive services to ensure charges are not paid for with Medicaid funds.
		• In February 2014, CA corrected the exceptions identified in the audit and returned federal reimbursement received for the two clients who received services.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
2013	041 (Cont'd)	**ESA:** • In February 2014, ESA reviewed the four exceptions identified during the audit and corrected the inappropriate payments. Also, staff were informed by memo about the requirements for processing cases that involve non-qualified aliens to ensure that Medicaid services provided are restricted to emergency services. • ESA is in the process of reviewing the questioned costs identified in the audit. All questioned costs will be resolved by the end of April 2014, with the correct amount repaid to the federal grantor. Completion Date: Estimated April 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	042	Finding:	The Department of Social and Health Services, Aging and Long Term Services Administration, did not ensure that unallowable payroll costs charged to the Money Follows the Person Rebalancing Demonstration were refunded to the federal government in a timely manner.
		Questioned Costs:	CFDA# 93.791 — Amount $106,274
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. An Information Technology position was incorrectly coded to the Money Follows the Person Rebalancing Demonstration grant. The Department discovered and corrected the error in the system in March 2013. In January 2014, the Department developed new policies and procedures to ensure only staff allowed to work on the grant are correctly charged to the grant. The incorrect payroll expenditures were returned to the grantor.
		Completion Date:	January 2014

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	043	Finding:	The Military Department does not have adequate internal controls to ensure all subrecipients of Homeland Security Grant Program funds receive audits when required and take timely and appropriate corrective action for any audit findings issued.
		Questioned Costs:	CFDA# 97.067 — Amount $0
		Status:	Corrective action in progress
		Corrective Action:	The Department's Finance Office will maintain reports, one being a master list of subgrantees based on expenditures to subgrantees by calendar year, on a perpetual basis. The master list will be updated monthly, or as audits are released by the auditors indicating if a sub-grantee has received an A-133 single audit or not. The Finance Office will review the sub-grantee audits to determine if there are findings specific to the Military Department's federal grants. The reports are posted to a network share drive and a SharePoint site for viewing by Emergency Management Division (EMD) program staff. A copy of any specific findings and audit numbers will be provided to the EMD. The appropriate EMD program staff will work with the sub-grantee to attain a corrective action plan for the findings. A steering committee will monitor for and review required management decision letters developed by EMD program staff. Finance and EMD staff have been notified about the reporting process including recent changes. The conditions noted in this finding were previously reported in finding 12-62.
		Completion Date:	Estimated June 2014

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	044	Finding:	The Military Department did not have internal controls over earmarking requirements to ensure administrative and management costs were accurately monitored for the Homeland Security grant.
		Questioned Costs:	CFDA# 97.067 — Amount $0
		Status:	Corrective action in progress
		Corrective Action:	The Department's Homeland Security Section (HLSS) has established a monthly process to update and review financial information. Financial reports are updated and reconciled to state accounting system records. Files are retained in a PDF format so that a permanent record of each monthly review is maintained. A monthly meeting is conducted, which includes the HLSS Supervisor, grant managers, coordinators, and assistants to communicate financial information and resolve discrepancies. A summary of the review is documented and attendance is recorded and filed by grant. When a grant is closed, the financial data is reviewed against the invoices and state accounting system records. This process will be documented in an internal operating procedure. This process is for all grants managed by the Homeland Security Section. These procedures will be communicated to employees.
		Completion Date:	Estimated March 2014

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
2013	045	Finding:	The Military Department did not have adequate internal controls over subrecipient monitoring and did not adequately monitor subrecipients of the Homeland Security Grant Program.
		Questioned Costs:	CFDA# 97.067 — Amount $0
		Status:	Corrective action in progress
		Corrective Action:	The Department's Homeland Security Section (HLSS) has developed a new monitoring report and process for organizing and tracking subgrantee monitoring visits to ensure all subgrantees are adequately monitored. All subgrantees are scheduled for biennial monitoring site-visits, unless issues have surfaced, such that annual visits are recommended. The Monitoring Program Manager is responsible for organizing and tracking site visits by quarter throughout the year. Nineteen site visits are underway for the 1st quarter of 2014. A spreadsheet is submitted with invoices by the subgrantees showing the details of the expenditures which are reviewed by the Department to ensure only allowable costs are being reimbursed. Monitoring teams request comprehensive backup documentation for sample invoices prior to the monitoring visit. Monitoring teams review all the submitted backup prior to the scheduled visit and note any issues for further discussion during the scheduled visit. Equipment purchased with grant funding is noted and examined during the site visit. Following the site visit, the monitoring team finalizes a Monitoring Report; the subgrantee documents their response; and issues requiring corrective action are scheduled for follow-up review. The completed report is signed by the monitoring team, Monitoring Program Manager, and Section Supervisor. The fully-executed Monitoring Report is posted on SharePoint, and emailed to the subgrantee. The above process will be documented in an HLSS Standard Operating Procedure and communicated to all program staff through written guidance and on-going training. The conditions noted in this finding were previously reported in finding 12-63.
		Completion Date:	Estimated June 2014

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State of Washington
Summary Schedule of Prior Audit Findings
For Years Prior to Fiscal Year 2013

OMB Circular A-133 Audit
For the Fiscal Year Ended
June 30, 2013

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

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Finding Number	State Agency	CFDA Number	Page Number	Audit Status
12-01	Office of Financial Management	None	H-10	Repeat finding 2013-001
12-02	Department of Health	10.557	H-11	Complete
12-03	Department of Health	10.557	H-12	Complete
12-04	Department of Health	10.557	H-13	Complete
12-05	Department of Health	10.557, 93.069, 93.889, 93.917	H-14	Complete
12-06	Recreation and Conservation Funding Board	11.438	H-15	Pending
12-07	Department of Commerce	14.239	H-16	Complete
12-08	Department of Commerce	14.239	H-18	Repeat Finding 2013-004
12-09	Department of Commerce	14.239, 66.468, 66.468A, 81.042, 93.568, 93.569	H-19	Repeat Finding 2013-003
12-10	Employment Security Department	17.225, 17.225A	H-20	Repeat Finding 2013-005
12-11	Employment Security Department	17.225, 17.225A	H-21	Complete
12-12	Department of Transportation	20.500, 20.507, 20.509, 20.509A	H-22	Complete
12-13	Department of Health	66.468, 66.468A	H-23	Complete
12-14	Department of Services for the Blind	84.126	H-24	Complete
12-15	Department of Services for the Blind	84.126	H-25	Complete

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

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Finding Number	State Agency	CFDA Number	Page Number	Audit Status
12-16	Department of Services for the Blind	84.126	H-26	Complete
12-17	Department of Services for the Blind	84.126	H-27	Repeat finding 2013-011
12-18	Office of Superintendent of Public Instruction	84.377, 84.388A	H-28	Complete
12-19	Department of Health	93.069	H-29	Complete
12-20	Department of Health	93.069, 93.889	H-30	Complete
12-21	Department of Health	93.069, 93.889	H-31	Repeat finding 2013-012
12-22	University of Washington	93.145, 93.600	H-32	Repeat finding 2013-014
12-23	Department of Social and Health Services	93.563	H-33	Complete
12-24	Department of Social and Health Services	93.563	H-34	Complete
12-25	Department of Commerce	93.568	H-35	Complete
12-26	Department of Commerce	93.568	H-36	Complete
12-27	Department of Commerce	93.568	H-37	Complete
12-28	Department of Early Learning	93.575, 93.596, 93.713A	H-38	Repeat finding 2013-016
12-29	Department of Early Learning	93.575, 93.596, 93.713A	H-39	Complete
12-30	Department of Social and Health Services	93.575, 93.596, 93.713A	H-40	Repeat finding 2013-017
12-31	Edmonds Community College	93.600	H-42	Complete

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

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Finding Number	State Agency	CFDA Number	Page Number	Audit Status
12-32	Department of Social and Health Services	93.659	H-43	Repeat finding 2013-018
12-33	Department of Health	93.720A, 93.775, 93.777, 93.778, 93.778A	H-44	Repeat finding 2013-019
12-34	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-45	Complete
12-35	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-46	Complete
12-36	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-48	Complete
12-37	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-49	Complete
12-38	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-50	Complete
12-39	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-51	Repeat finding 2013-036
12-40	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-52	Complete
12-41	Department of Social and Health Services	93.720A, 93.775, 93.777, 93.778, 93.778A	H-54	Repeat finding 2013-040
12-42	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-55	Complete
12-43	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-56	Complete
12-44	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-57	Repeat finding 2013-030
12-45	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-59	Repeat finding 2013-026
12-46	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-60	Complete
12-47	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-61	Repeat finding 2013-024

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

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12-49	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-64	Repeat finding 2013-020
12-50	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-65	Complete
12-51	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-66	Complete
12-52	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-68	Complete
12-53	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-69	Repeat finding 2013-027
12-54	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-70	Repeat finding 2013-031
12-55	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-72	Complete
12-56	Health Care Authority	93.720A, 93.775, 93.777, 93.778, 93.778A	H-73	Complete
12-57	Department of Health	93.889	H-74	Complete
12-58	Department of Health	93.917	H-75	Complete
12-59	Military Department	97.036	H-76	Complete
12-60	Military Department	97.036	H-77	Complete
12-61	Military Department	97.067	H-78	Complete
12-62	Military Department	97.067	H-79	Repeat finding 2013-043

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

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11-01	Department of Social Health Services	10.551, 10.561, 93.558, 93.714A, 93.716A, 93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	H-81	Complete
11-02	Department of Social and Health Services	10.551, 10.561	H-82	Complete
11-08	Employment Security Department	17.225, 17.225A	Refer to finding 12-11 at H-21	Repeat finding 12-11
11-10	Department of Commerce	66.468, 66.468A, 81.042, 81.042A, 93.659, 93.710A	Refer to finding 12-09 at H-19	Repeat finding 2013-003, 12-09
11-12	University of Washington	84.063, 84.063A, 84.268, 93.658, 93.658A	H-84	Complete
11-14	Department of Services for the Blind	84.126, 84.390A	Refer to finding 12-15 at H-25	Repeat finding 12-15
11-15	Department of Services for the Blind	84.126, 84.390A	H-86	Complete
11-17	Department of Health	93.069, 93.889	Refer to finding 12-20 at H-30	Repeat finding 12-20
11-19	Department of Health	93.069, 93.889	Refer to finding 12-57 at H-74	Repeat finding 12-57
11-20	Department of Health	93.069, 93.889	Refer to finding 12-21 at H-31	Repeat finding 2013-012, 12-21
11-22	Department of Commerce	93.569, 93.710A	H-87	Complete
11-23	Department of Early Learning / Department of Social and Health Services	93.575, 93.596, 93.713A	Refer to finding 12-28 at H-38	Repeat finding 2013-016, 12-28
11-24	Department of Social and Health Services	93.659, 93.659A	Refer to finding 12-32 at H-43	Repeat finding 2013-018, 12-32
11-25	Department of Health	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-33 at H-44	Repeat finding 2013-019, 12-33

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11-26	Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	H-89	Complete
11-27	Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-56 at H-73	Repeat finding 12-56
11-29	Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	H-90	Complete
11-33	Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-35 at H-46	Repeat finding 12-35
11-34	Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-41 at H-54	Repeat finding 2013-040, 12-41
11-35	Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-34 at H-45	Repeat finding 12-34
11-37	Health Care Authority / Department of Social and Health Services	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-52 at H-68	Repeat finding 12-52
11-38	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-49 at H-64	Repeat finding 2013-020, 12-49
11-39	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-54 at H-70	Repeat finding 2013-031, 12-54
11-40	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-47 at H-61	Repeat finding 2013-024, 12-47
11-41	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-51 at H-66	Repeat finding 12-51
11-42	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-50 at H-65	Repeat finding 12-50
11-43	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-42 at H-55	Repeat finding 12-42
11-45	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	H-92	Complete
11-46	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-44 at H-57	Repeat finding 2013-030, 12-44

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11-48	Health Care Authority	93.720, 93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-43 at H-56	Repeat Finding 12-43
11-49	Department of Health	98.889	H-94	Pending
11-50	Office of Financial Management	94.006, 94.006A	H-95	Complete
11-51	Employment Security Department	94.006, 94.006A	H-96	Complete
10-03	Department of Social and Health Services	10.551, 10.551A, 10.561, 10.561A	Refer to finding 11-02 at H-82	Repeat finding 11-02
10-08	Employment Security Department	17.225, 17.225A	Refer to finding 12-11 at H-21	Repeat finding 12-11, 11-08
10-25	Department of Health	93.069, 93.889	Refer to finding 12-20 at H-30	Repeat finding 12-20, 11-17
10-26	Department of Health	93.069, 93.889	Refer to finding 12-57 at H-74	Repeat finding 12-57, 11-19
10-30	Department of Commerce	93.569, 93.710A	Refer to finding 11-22 at H-87	Repeat finding 11-22
10-31	Department of Early Learning / Department of Social and Health Services	93.575, 93.596, 93.713A	Refer to finding 12-28 at H-38	Repeat finding 2013-016, 12-28, 11-23
10-32	Department of Social and Health Services	93.659, 93.659A	Refer to finding 12-32 at H-43	Repeat finding 2013-018, 12-32, 11-24
10-35	Department of Social and Health Services	93.767	Refer to finding 12-52 at H-68	Repeat finding 12-52, 11-37
10-36	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-34 at H-45	Repeat finding 12-34, 11-35
10-38	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 11-45 at H-92	Repeat finding 11-45
10-40	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-49 at H-64	Repeat finding 2013-020, 12-49, 11-38

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10-42	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 11-29 at H-90	Repeat finding 11-29
10-44	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-47 at H-61	Repeat finding 2013-024, 12-47, 11-40
10-49	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-56 at H-73	Repeat finding 12-56, 11-27
10-51	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-42 at H-55	Repeat finding 12-42, 11-43
10-52	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-43 at H-56	Repeat finding 12-43, 11-48
10-53	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-51 at H-66	Repeat finding 12-51, 11-41
10-56	Department of Health	93.889	Refer to finding 11-49 at H-94	Repeat finding 11-49
09-12	Department of Early Learning / Department of Social and Health Services	93.575, 93.596, 93.713A	Refer to finding 12-28 at H-38	Repeat finding 2013-016, 12-28, 11-23, 10-31
09-14	Department of Social and Health Services	93.659, 93.659A	Refer to finding 12-32 at H-43	Repeat finding 2013-018, 12-32, 11-24, 10-32
09-18	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-34 at H-45	Repeat finding 12-34, 11-35, 10-36
09-19	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-49 at H-64	Repeat finding 2013-020, 12-49, 11-38, 10-40
09-20	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-51 at H-66	Repeat finding 12-51, 11-41, 10-53
09-21	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 11-29 at H-90	Repeat finding 11-29, 10-42

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Finding Number	State Agency	CFDA Number	Page Number	Audit Status
09-22	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-47 at H-61	Repeat finding 2013-024, 12-47, 11-40, 10-44
09-24	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-42 at H-55	Repeat finding 12-42, 11-43, 10-51
09-28	Department of Social and Health Services	93.775, 93.776, 93.777, 93.778, 93.778A	Refer to finding 12-56 at H-73	Repeat finding 12-56, 11-27, 10-49
08-13	Department of Early Learning / Department of Social and Health Services	93.575, 93.596, 93.713	Refer to finding 12-28 at H-38	Repeat finding 2013-016, 12-28, 11-23,10-31, 09-12
08-17	Department of Social and Health Services	93.659	Refer to finding 12-32 at H-43	Repeat finding 2013-018, 12-32, 11-24, 10-32, 09-14
05-50	University of Washington	93.389, 93.866, 93.846, 93.837, 93.864, 93.856, 93.859	H-97	Complete

Office of Financial Management

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	01	Finding:	The State's internal controls over Medicaid payments processed by ProviderOne are inadequate to ensure those payments are properly processed and recorded.
		Questioned Costs:	None
		Status:	Refer to finding 2013-001
		Corrective Action:	While the State does not fully agree with the finding, it recognizes the significance and the priority of internal controls and takes them very seriously. Upon notification by the auditor that one step in the process to validate that the daily interface from ProviderOne to the state's accounting system was lacking, the Health Care Authority immediately instituted the validation step. The validation was performed for the entire period it was missing and the results of that validation indicated that all ProviderOne transactions were properly accounted for in the state's accounting system. The Authority relied on the certification process conducted by the federal Centers for Medicare and Medicaid Services (CMS) to document the sufficiency of ProviderOne internal controls. The CMS certification process was very comprehensive in nature and resulted in the state's ProviderOne being the first in the country to achieve federal certification without a single finding. The state recognizes the value of and has added a requirement to the ProviderOne contract for an independent audit of the system of internal controls at the vendor location. The first report is expected in the spring of 2014.
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-001.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	02	Finding:	The Department of Health did not obtain sub-award information or file reports required by the Federal Funding Accountability and Transparency Act for the Special Supplemental Nutrition Program for Women, Infants, and Children.
		Questioned Costs:	CFDA # 10.557 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	Effective October 1, 2012, the Department requires all sub-grantees to complete a Federal Funding Accountability and Transparency Act (FFATA) data collection form at the time of award which includes the required sub-award information. In addition, the FFATA Sub-award Reporting System (FSRS) is reviewed monthly for current and new grant awards available to report on for the Department. Available and reportable sub-award information is entered monthly by grants staff into the FSRS. The grants supervisor reviews and submits the reports monthly to FSRS and retains a system print out for audit verification.
		Completion Date:	October 2012

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan		
12	03	Finding:	The Department of Health does not adequately monitor subrecipients of the Special Supplemental Nutrition Program for Women, Infants, and Children.	
		Questioned Costs:	CFDA # 10.557	Amount $0
		Status:	Corrective action in progress	
		Corrective Action:	The Department will conduct an internal review of its subrecipient monitoring processes to determine an appropriate level of activity to address the risks and ensure federal requirements are met. This may include development of a risk model to help inform the type and frequency of monitoring for each subrecipient. The Department will develop agency-level policies and training addressing subrecipient monitoring.	
		Completion Date:	Estimated March 2014	

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan		
12	04	Finding:	The Department of Health did not obtain a Data Universal Numbering System (DUNS) number from subrecipients prior to awarding federal dollars under the Special Supplemental Nutrition Program for Women, Infants, and Children.	
		Questioned Costs:	CFDA #	Amount
			10.557	$0
		Status:	Corrective action complete	
		Corrective Action:	Prior to awarding federal dollars, the Department now requires all sub-grantees to complete a Federal Funding Accountability and Transparency Act data collection form which includes the required sub-award information, including the Data Universal Numbering System number.	
		Completion Date:	October 2012	

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	05	Finding:	The Department of Health does not have sufficient internal controls to ensure all of its subrecipients receive audits when required.
		Questioned Costs:	CFDA # / Amount 10.557 / $0 93.069 93.889 93.917
		Status:	Corrective action complete
		Corrective Action:	Beginning in December 2012, the Department initiated additional telephone contacts with sub-grantees who did not provide a response to the original post card inquiry and/or who did not provide a copy of their single audit to the Department and/or the federal Single Audit Clearinghouse. These sub-grantees are called (sometimes weekly) until a response is received. As of September 2013, the Department has achieved 100 percent audit determination compliance.
		Completion Date:	June 2013

Recreation Conservation Funding Board

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	06	Finding: The Recreation and Conservation Office did not file reports required by the Federal Funding Accountability and Transparency Act for the Pacific Coast Salmon Recovery Program. Questioned Costs: CFDA # 11.438 — Amount $0 Status: Corrective action complete pending audit follow-up Corrective Action: Since March 2013 the Recreation and Conservation Office (Office) completes the Accountability Act reports on a monthly basis. These reports encompass all applicable federal programs. The lead financial analyst takes the lead on reporting the awards each month. If technical difficulties in reporting the costs should arise, Office staff document the questions, communications and resolution of the issues. The Chief Financial Officer reviews the results of the reporting monthly to confirm the reports are complete and accurate. Completion Date: March 2013

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	07	Finding: The Department of Commerce does not adequately monitor sub-recipients of the HOME Investment Partnership Program to ensure sub-recipients use federal grant money for authorized purposes and in compliance with laws, regulations, and grant and contract provisions. Questioned Costs: CFDA # 14.239 — Amount $0 Status: Corrective action in progress Corrective Action: In December 2012, the Department judgmentally selected client files from each of the HOME Tenant Based Rental Assistance (TBRA) subrecipients for monitoring review. As of this date, the Department completed 11 of the subrecipient monitoring reviews; two others are in progress. To conduct the monitoring reviews, the Department requests the following documentation from subrecipients: • Tenant's signed lease including lease addendum • Initial Housing Quality Standards (HQS) inspection report • Annual re-inspection report • Initial documentation of household income • Annual recertification of household income • Initial documentation of tenant rent calculation • Annual re-calculation of tenant rent • If applicable, documentation showing the tenant is eligible for tenant selection preference(s) • Rental Assistance Contract between the agency and the landlord • If the tenant has terminated, the termination documentation For the 11 completed monitoring reviews, the Department found all households were eligible for the program. The Department scheduled the remaining five HOME TBRA subrecipients monitoring reviews through the end of December 2013. The Department will report on the two in-progress as well as the five scheduled reviews by the end of April 2014.

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	07 (Cont'd)	HOME TBRA is developing a written monitoring plan. The plan is scheduled to be completed by the end of December 2013. With respect to unit inspections, the Department reviewed a total of 39 Housing Quality Standards (HQS) inspection reports. All the units reviewed received initial and, where appropriate, annual inspections. One unit did not provide evidence of the state-required carbon monoxide (CO) alarms in the initial review, but has since provided that documentation. Two were not using the HQS inspection form, but were using a modified version. The Department instructed the subrecipients to use the HQS inspection form. The subrecipients provided written confirmation that they understood and agreed to use the HQS inspection form. To accomplish future annual monitoring of HQS inspection reports, the Department instructed subrecipients to certify the completion of annual inspections and the annual pass/fail for each tenant. Each subrecipient completes and signs a form that includes tenant names and dates of inspections, or indicates the tenant terminated services before the annual inspection due date. Certifications are due to the Department by September 30, 2013. The Department will request copies of approximately 20 percent of HQS inspections performed. The Department spoke with a U.S. Department of Housing and Urban Development (HUD) representative who agreed comparison of inspection reports to the certifications provides additional assurance of compliance with regulations. The Department will provide HUD with the results of this comparison. Completion Date: Estimated April 2014

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	08	Finding:	The Department of Commerce does not have internal controls to ensure the Department pays out HOME Investment Partnership program income before requesting federal cash draws and interest earned on federal cash advances is returned to the federal government.
		Questioned Costs:	CFDA # 14.239 — Amount $0
		Status:	Refer to finding 2013-004
		Corrective Action:	The Department established procedures and internal controls to ensure program income is used before grant funds. The Accounting Manager established regularly scheduled draws to occur on or around the 10th and 25th of each month, regardless of the dollar amount. The Fiscal Analyst in Accounting who manages the US Bank HOME Program Income account provides the HOME General Purpose Manager, the HOME Tenant Based Rental Assistance (TBRA) Manager, and the Community Services and Housing Division Financial Operations Manager with a monthly account statement. The HOME General Purpose Manager reviews the monthly account statement and receipts the program income (PI) balance amount into Integrated Disbursement Information System (IDIS). The manager enters the date of the account statement into the comments field on the Add Receipt page in IDIS. The manager prints a screenshot of the page, attaches it to the PI account statement, and files the documents. As HOME vouchers are received for General Purpose and TBRA, managers review the PI balance in IDIS and use those funds prior to grant funds. The account is brought as close to zero as possible before the federal cash draw is requested. An accounting supervisor reconciles the checking account monthly, and the Accounting Manager approves the reconciliation. Related to the $214 interest earned in the US Bank account, the U.S. Department of Housing and Urban Development (HUD) wrote in an August 26, 2013 letter, “Any interest earned on program income in the state’s local HOME account pending its use is program income…The state is not required to remit that interest to HUD.”
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-004

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	09	Finding:	The Department of Commerce does not have sufficient internal controls to ensure all of its subrecipients receive audits as required.
		Questioned Costs:	CFDA # / Amount 14.239 / $0 66.468 – ARRA and non-ARRA 81.042 93.568 93.569
		Status:	Refer to finding 2013-003
		Corrective Action:	In response to a similar audit finding in the State of Washington Single Audit (SWSA) report issued in March 2012, the Department enhanced its Contract Management System (CMS) with an audit tracking module. Functionality includes the ability to store audit reports from the State Auditor's Office (SAO), Certified Public Accounting (CPA) firms, and Federal sources; search by contract or vendor number for audit reports; record audit receipt dates; and track requests for management decision letters. Additionally, staff can generate CMS reports to identify contractors with federal expenditures of $500,000 or greater to help identify subrecipients requiring audits. Other reports provide lists of audit due dates and lists of audit findings: Office of Management and Budget (OMB) Circular A-133 Audit Tracking Extract report lists all contractors requiring an OMB Circular A-133 audit by contractor fiscal year; Audit Required Extract lists contractors who have not submitted by their due date. The Department implemented the enhancements in October 2012. Quarterly, the Internal Auditor runs reports and follows through with program staff to help ensure OMB Circular A-133 audits are received timely. The Department provided training on the use of the audit function in CMS. Additionally, the CMS Help Desk created a video, 'Audit Information in CMS' that is accessible to staff at any time. The conditions noted in this finding were previously reported in finding 11-10.
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-003

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Employment Security Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	10	Finding:	The Employment Security Department did not attempt to collect $440,925 overpaid to claimants for Federal Additional Compensation Unemployment Insurance**.**
		Questioned Costs:	CFDA # / Amount 17.225 - ARRA and non-ARRA / $440,925 ARRA
		Status:	Refer to finding 2013-005
		Corrective Action:	On September 7, 2012, the Department completed the necessary computer programming to bill, collect, and account for Federal Additional Compensation (FAC) overpayments. Billing statements were subsequently mailed to claimants who had outstanding FAC overpayment balances. As of November 13, 2012, the Department successfully collected $1,978,762 in FAC overpayments. Department efforts will continue as permitted by state and federal law to collect outstanding FAC overpayment balances. The U.S. Department of Labor has evaluated the finding and the department's corrective actions and issued their Final Determination dated August 20, 2013 that questioned costs identified in this finding were not subject to repayment.
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-005

Employment Security Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	11	Finding: The Employment Security Department does not have controls to ensure compliance 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 complete Corrective Action: The Department has continued to work on improving Benefits Accuracy Measurement (BAM) program processes to ensure complete, accurate and timely investigations are conducted. The Department has completed the following actions: • Updated the BAM procedures manual as of July 2012. Continue to revise the manual as needed to remain compliant with U.S Department of Labor (USDOL) requirements. • Standardized the number of contact attempts required for compliant BAM claim investigations. • Provided additional investigative and adjudicative training to staff. • Increased communication among staff, other department units and with USDOL to improve quality and consistency of case investigations. • Created standardized forms for use in improving accuracy and quality of investigations. • Implemented a toll-free phone number to increase claimant and employer response rates. • Increased number of contact attempts to verify work search. The Department will continue to make improvements in BAM investigative processes during the next audit period including increasing the number of files reviewed by supervisory staff. The conditions noted in this finding were previously reported in finding 11-08 and 10-08. Completion Date: September 2012

Department of Transportation

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	12	Finding:	The Department of Transportation did not have sufficient internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act are filed.
		Questioned Costs:	CFDA # / Amount 20.500 / $0 20.507 20.509 - ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Department appreciates the State Auditor's work regarding the Statewide Single Audit. As originally reported, the "technical difficulties" encountered in filing the required Federal Funding Accountability and Transparency Act (FFATA) reports resulted when the Department made its initial attempts to file the FFATA reports in fiscal year 2012 and discovered that the grantor, the Federal Transit Administration (FTA), had not yet entered the award information in its computer system to allow the Department to enter sub-award data and file the reports. In early 2013, the FTA input grant award information into the computer system; however, initially it did not appear that all award information was input. As of April 2013, it appears that the information required had been input; however, it has not yet been determined when sub-award data must be input and for what FFATA reporting periods. The Department is seeking clarification with the FTA on system availability to determine what award data must be input, and which reporting periods must be filed. The Department continues to strengthen internal controls and will continue to work with the FTA until the required FFATA sub-award data can be input and the reports can be filed. Additionally, in response to the auditor's recommendations: 1. The Public Transportation Division continues to implement new procedures to ensure FFATA reporting is filed timely. 2. Procedures for FFATA reporting are under the final stages of development and will include appropriate training for employees. 3. FFATA reporting has been assigned to one individual, with review and monitoring by another staff member and management.
		Completion Date:	December 2013

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan		
12	13	Finding:	The Department of Health did not file reports required by the Federal Funding Accountability and Transparency Act for the Drinking Water Program.	
		Questioned Costs:	CFDA #	Amount
			66.468 - ARRA and non-ARRA	$0
		Status:	Corrective action complete	
		Corrective Action:	The Federal Funding Accountability and Transparency Act (FFATA) reporting on award FS-99083910-0 is now complete. Clarification has also been received from the federal Environmental Protection Agency regarding how to report FFATA on future grants. The Department's Drinking Water Program will ensure this is completed annually at the time of contract execution.	
		Completion Date:	Fall 2012	

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Services for the Blind

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	14	Finding:	The Department of Services for the Blind did not determine eligibility for all Vocational Rehabilitation program applicants within the allowed period of time.
		Questioned Costs:	CFDA # 84.126 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department of Services for the Blind agrees with the audit finding and recommendation. While individual situations may create need to delay an eligibility past the 60-day timeline, case file documentation should be clear about the reason for a delay, and ensure that the applicant is in agreement for the delay in accordance with the auditor's recommendation. Training was provided at the Vocational Rehabilitation (VR) Counselor meeting on October 10, 2012, and at subsequent regional team meetings, to ensure that the awareness of the timeline, the need to meet the timeline, and the need to clearly document reasons for delay of eligibility beyond the 60-day timeline is understood by counselors and supported by their fellow counselors, support staff and supervisors. A system for monthly review of timelines to eligibility is in place. Team leaders review overdue eligibility cases to ensure documentation is in place that describes clearly the reasons for delay. A method for checking status of eligibilities before they are overdue exists in the system, and training for accessing that tool was provided VR counselors on October 10, 2012. The tool requires multiple steps; in a future planned upgrade of the case management system this tool will be in a more prominent "dashboard" feature, allowing more streamlined, easy access to the data.
		Completion Date:	November 2012

Department of Services for the Blind

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	15	Finding: The Department of Services for the Blind did not have adequate internal controls to ensure compliance with federal suspension and debarment requirements for its federal Vocational Rehabilitation program. Questioned Costs: CFDA # 84.126 — Amount $0 Status: Corrective action complete Corrective Action: The Department agrees with the audit finding and recommendation. As a corrective action, the Department revised its contract general terms and conditions document in April 2012. This attachment now includes appropriate certification language for contractor signatures and is a part of all contracts let by the Department. Additionally, the Department initiated a monthly process effective August 2012 to review expenditures and identify any vendor that has been paid in excess of $25,000 over the prior 12 months. This information is provided to and reviewed by the Executive Team. These vendors are checked against the federal System for Award Management to verify that the vendors have not been suspended or debarred. Vendors found to be out of compliance would be immediately prohibited from providing goods and/or services to the Department. When the Department learned of the finding, immediate action was taken to train principle contract developers with the need to include suspension and debarment language. The Department now includes business staff in training functions sponsored by Technical Assistance & Continuing Education Northwest and sent four staff to the U.S. Department of Education – Rehabilitation Services Administration National Fiscal Conference in August 2013. The national conference had numerous breakout sessions and open discussion forums that provided cross-training for staff on a variety of fiscal topics. The conditions noted in this finding were previously reported in finding 11-14. Completion Date: August 2012

Department of Services for the Blind

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	16	Finding:	The Department of Services for the Blind did not comply with federal requirements for reporting Vocational Rehabilitation program expenditures.
		Questioned Costs:	CFDA # 84.126 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department agrees with the audit finding and recommendation. The Department is now current on Vocational Rehabilitation federal cost reports. The Department contacted the Department of Education – Rehabilitation Services Administration (RSA) staff to correct prior semi-annual cost reports by grant award (SF-425 reports). The corrections included separation of indirect costs from direct allocated expenditures and correctly reflected the federal portion of the indirect costs. The rates used for indirect costs are addressed by the Department in the response to finding 12-17 regarding questioned indirect costs. The Department developed an internal checklist for preparing and reviewing of the federal cost reports. The checklist requires interaction from three separate staff members to ensure proper reviews prior to submission of the reports. The Department will take advantage of any training opportunities made available through RSA and the U.S. Department of Education's Region 10 Technical Assistance & Continuing Education (TACE) center. TACE now includes fiscal staff in their quarterly meetings. The Department contacted RSA for potential actions in response to the audit findings for reporting anomalies on the fiscal year 2011 combined annual vocational rehabilitation cost report (RSA-2). The fiscal year 2011 RSA-2 had already been published and was not reopened for adjustment. The fiscal year 2012 cost report included the identified segregation of costs between reporting elements.
		Completion Date:	December 2012

Department of Services for the Blind

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	17	Finding:	The Department of Services for the Blind charged indirect costs related to the Vocational Rehabilitation program to its federal grant without an approved indirect cost rate.
		Questioned Costs:	CFDA # 84.126 — Amount $1,259,024.49
		Status:	Refer to finding 2013-011
		Corrective Action:	The Department agrees with the audit finding and recommendation. Department staff did not fully understand the indirect cost recovery rules for the Department of Education. The Department submitted an indirect cost rate proposal to the Department of Education on February 26, 2013 and requested a negotiated settlement for questioned costs. The Department has added the annual proposal process to the agency calendar. The Department of Education – Rehabilitation Services Administration has been notified about this finding. The Department is in communication with the Department of Education and is awaiting approval of the proposed indirect cost recovery rate.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-011.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Office of Superintendent of Public Instruction

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	18	Finding:	The Office of Superintendent of Public Instruction's internal controls over subrecipient monitoring are not adequate to ensure only proper and allowable costs are charged to the School Improvement Grants program**.**
		Questioned Costs:	CFDA # / Amount 84.377 / $0 84.388 - ARRA
		Status:	Corrective action complete
		Corrective Action:	The increased fiscal monitoring for the School Improvement Grant was determined a priority for Office of Superintendent of Public Instruction (Office) last spring. A detailed fiscal monitoring form was developed in the summer of 2012 for use during the 2012-2013 school fiscal year subrecipient monitoring on-site visits. Additionally, the School Improvement Division formally joined the larger comprehensive consolidated program review process (CPR). The CPR process is the basis for monitoring all but one of the Department of Education grants received by the Office. In February 2013, the school improvement team was out in the field performing subrecipient monitoring of the School Improvement Grant program, with a significant focus on compliance with fiscal requirements.
		Completion Date:	September 2012

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan		
12	19	Finding:	The Department of Health paid unreasonable indirect cost rates to a subrecipient of the Public Health Emergency Preparedness grant.	
		Questioned Costs:	CFDA # 93.069	Amount $9,156.27
		Status:	Corrective action complete	
		Corrective Action:	The subrecipient in question did not have an indirect rate but rather a cost allocation plan. The Department reviewed the cost allocation plan and worked with the subrecipient to make some adjustments. In addition, as of June of 2013, the amount paid for indirect costs to this subrecipient is capped at the lower of 1) actual costs or 2) an effective rate of 40% of direct expenditures. It was the auditor's opinion that the effective rate for the months tested was unreasonable, however the charges themselves were not unallowable. The Department will work with grantors to determine what, if any, costs are to be repaid.	
		Completion Date:	July 2013	

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	20	Finding:	The Department of Health does not adequately monitor subrecipients of the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.
		Questioned Costs:	CFDA # / Amount 93.069 / $0 93.889
		Status:	Corrective action complete
		Corrective Action:	Effective July 1, 2013, the Department requires all contractors to submit backup documentation for all invoices. The programs review the invoices and backup documentation for allowability, reasonableness of cost and fulfillment of contract deliverables. If questions come up regarding the invoices or backup documentation, the programs follow up with the contractor and/or consult with the Department's internal auditor or other staff as necessary. The Department had a contractor resume subrecipient fiscal monitoring effective September 2012. A Department employee works with programs to track and resolve fiscal monitoring issues that may arise. The program consults with the contractor to resolve issues and develop corrective action plans. The Department has followed up on the contractors with questioned costs and has received pay back from those contractors on the unallowable costs identified. The Department tracks issues identified in fiscal monitoring reports and follows up with contractors to resolve those issues, establish corrective action plans and collect unallowable costs if necessary. As of October 2012 the Department requires all grant information, including CFDA number, CFDA title, federal grant award number, federal grant award name and federal agency name, be included in all subrecipient contracts. This information is included in the Statement of Work templates which are used for all subrecipient contracts. The conditions noted in this finding were previously reported in finding 11-17 and 10-25.
		Completion Date:	July 2013

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	21	Finding:	The Department of Health does not have sufficient internal controls to ensure it meets federal level of effort requirements for the Public Health Emergency Preparedness and National Bioterrorism Hospital Preparedness programs.
		Questioned Costs:	CFDA # / Amount 93.069 / $0 93.889
		Status:	Refer to finding 2013-012
		Corrective Action:	The Department conferred with the federal grantors on this matter and obtained a clear understanding of how level of effort should be determined. Neither the Department nor the auditors had a correct interpretation. Once the Department fully understood the requirements, it put systems in place to monitor level of effort. The conditions noted in this finding were previously reported in finding 11-20.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-012.

University of Washington

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	22	Finding:	The University of Washington does not have monitoring controls to ensure subrecipients receiving less than $500,000 from the University obtain audits when required to.
		Questioned Costs:	CFDA # / Amount 93.145 / $0 93.600
		Status:	Refer to finding 2013-014
		Corrective Action:	The University's Office of Sponsored Programs has been enhancing its existing controls to ensure all subrecipients receive audits when required by reviewing all subrecipient entities with current activity to determine that audit or financial information has been provided and reviewed. This includes all entities regardless of the amount of federal expenditures and type of entity. The University has enhanced its process for reviewing these entities by adding a Subrecipient Certification Form to collect audit and financial information prior to subcontract issuance as well as a detailed financial questionnaire for those entities not subject to A-133. The University expects to have this review complete and processes in place by February 2014.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-014.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	23	Finding:	The Department of Social and Health Services does not have internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act for the Child Support Enforcement grant is filed.
		Questioned Costs:	CFDA # 93.563 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. In December 2012 the Department took the following actions: • Updated the desk manual used by fiscal staff to track federal grant reporting requirements to include Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. • Trained the fiscal staff responsible for grant reporting via FFATA webinars about reporting requirements. • Completed the reporting requirements for grants issued in fiscal year 2012 and fiscal year 2013.
		Completion Date:	December 2012

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	24	Finding:	The Department of Social and Health Services did not obtain a Data Universal Numbering System (DUNS) number from subrecipients prior to awarding federal dollars under Child Support Enforcement grant.
		Questioned Costs:	CFDA # 93.563 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding. In December 2012 the Department took the following actions: • Obtained Data Universal Numbering System (DUNS) numbers from all subrecipients. The DUNS numbers will be included in annual federal reports that require them. • Trained Department fiscal staff responsible for Federal Funding Accountability and Transparency Act reporting via webinars to learn more about reporting requirements. On an ongoing basis, fiscal staff will collect DUNS numbers for subrecipients and maintain them in an electronic file.
		Completion Date:	December 2012

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	25	Finding:	The Department of Commerce does not have adequate controls to ensure it draws Low Income Home Energy Assistance Program federal funds in accordance with the Cash Management Improvement Act Agreement.
		Questioned Costs:	CFDA # 93.568 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department reviewed its procedures and corrected the timing of the Low Income Home Energy Assistance Program federal draws to coincide with Cash Management Improvement Act (CMIA) Agreement. The Department established procedures and internal controls to ensure program income is used before grant funds. The Accounting Manager established regularly scheduled draws to occur on or around the 10th and 25th of each month, regardless of the dollar amount. Accounting created a report to record items not in compliance with the CMIA agreement. The Department tracks the time period from a requested draw to the time the monies are received. When an 'overdraw' situation is created by an adjustment or a draw, the Department tracks the time period from the creation of the 'overdraw' to the point when monies can be refunded or expenditures are incurred that cover the overdraw. Training is ongoing.
		Completion Date:	November 2012

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	26	Finding:	The Department of Commerce does not have internal controls to ensure reports required by the Federal Funding Accountability and Transparency Act are filed for the Low-Income Home Energy Assistance Program.
		Questioned Costs:	CFDA # 93.568 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this audit finding. The Department operated with the understanding that Health and Human Services (HHS) did not require Low Income Home Energy Assistance Program (LIHEAP) to report under Federal Funding Accountability and Transparency Act (FFATA). When the FFATA reporting requirements were first introduced in 2010, the Department performed a thorough review of all federally funded programs and identified the programs affected by the new requirements. At that time, the Department contacted HHS who provided written assurance that LIHEAP was not required to report under FFATA. On January 31, 2013, the Department received clarification from HHS that 2012 awards were included in this requirement. The Department trained the appropriate LIHEAP staff on the FFATA requirements and the use of the Federal Funding Accountability and Transparency Sub-award Reporting System (FSRS) database to submit LIHEAP data. The Department finalized procedures to ensure FFATA data is entered into the FSRS database, and that LIHEAP complies with reporting requirements. The FFATA reporting is now current.
		Completion Date:	March 2013

Department of Commerce

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	27	Finding:	The Department of Commerce, Community Services and Housing Division, did not comply with period of availability requirements for its Low Income Home Energy Assistance program.
		Questioned Costs:	CFDA # 93.568 — Questioned Costs $29,944.23
		Status:	Corrective action complete
		Corrective Action:	The Department reviewed the federal criteria regarding period of availability with fiscal staff. The focus of this review and training was to ensure staff understood to match the period of service to the award's period of availability when expenditures are made or are moved from one fiscal year to another. The error occurred when adjusting entries were made at year-end. Supervisors review the work of staff, and management approves when adjustments are made. The Contracts Management System was enhanced to provide pop-up warning messages regarding dates as follows: • When funding a contract if the coding element in the accounting system has a closing date that is older than the present date. • When the service dates for an invoice are outside the contract dates. • When the service end date for an invoice correction or recovery is greater than the coding element end date. • When the document date on a journal voucher is greater than the coding element end date. Questioned costs were corrected in the accounting system and returned to the granting agency.
		Completion Date:	March 2013

Department of Early Learning

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	28	Finding:	The Department of Early Learning does 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 2013-016
		Corrective Action:	The Department contracted with an independent consultant to review the eligibility system and make recommendations for improvement. The Department and the Department of Social and Health Services (DSHS) developed an action plan to implement the recommendations. As of September 2013 the following actions have been taken: • Improved eligibility worker training to better understand the Department's mission. • Simplified policies that would benefit families and DSHS staff. The Department continues to coordinate with DSHS to make system improvements so that eligibility workers are able to accurately determine eligibility. System improvements include recommended policy changes to allow more flexibility in verifications, improved case management, updated procedure manuals, and more clarity in rules. The Department has also hired five more auditors (in addition to the five hired in January 2012) to specifically audit child care subsidy payments by comparing subsidy child care provider billings with attendance records. Around 500 cases are audited per month. For state fiscal year 2012, over $8 million dollars of payments have been audited so far, and $786,000 of overpayments identified. A desk manual for the audit team has been developed. The Department's audit team works with DSHS auditors, DSHS Office of Fraud and Accountability (OFA), and Health Care Authority (HCA) to ensure that any audit activities being performed by each are non-duplicative or disruptive to the other agencies' work. All potential fraud activities are referred by the Department to the Office of Fraud and Accountability in DSHS. The conditions noted in this finding were previously reported in finding 11-23, 10-31, 09-12, and 08-13.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-016.

Department of Early Learning

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	29	Finding:	The Department of Early Learning did not maintain federally required documentation for $21,328.61 in payroll costs charged to the Child Care Development Fund.
		Questioned Costs:	CFDA # / Amount 93.575 / $21,328.61 93.596 93.713 - ARRA
		Status:	Corrective action complete
		Corrective Action:	A previous audit performed in February 2012 had already identified an issue with the recording of payroll certifications to support grant costs. In this specific instance, the payroll costs charged to the Child Care Development Fund (CCDF) were valid, as the employee was working half time on CCDF-related activities during this time period. However, the certifications were not completed accurately. The Department instituted a written policy and process in December 2012 which requires a closer review and more detailed reconciliation for time worked on federal grants, and for collecting payroll certifications. The Department has notified the appropriate federal regional staff, and is waiting for their response to this finding.
		Completion Date:	December 2012

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	30	Finding: The Department of Social and Health Services does not have adequate internal controls over client eligibility for the Child Care Development Fund, resulting in the payment of child care services for ineligible clients. Questioned Costs: CFDA # / Amount 93.575 / $3,590 93.596 93.713 - ARRA Status: Refer to finding 2013-017 Corrective Action: The Department partially concurs with this finding. The Department has taken or will take a variety of corrective actions through the course of the year to correct the deficiencies identified during the audit. In February 2013 the Department: • Began formal auditing of 1.6% of all case actions, 100% of all new employee case actions and 100% of all instances where a single staff person has authorized multiple payments in the Social Service Payment System (SSPS) in a month. • Began utilizing "Find It/Fix It" procedures based on Department policy, which require all staff to fix errors as they are discovered. This policy incorporates a reporting mechanism to identify trends and error prone processes. • Ensured the Department's Child Care Subsidy Program Handbook is up-to-date and accurately reflects changes in policy, guidance and procedures. By March 2013 the Department's policy staff reviewed exceptions identified in the audit. Overpayments were written for inappropriate payments. By April 2013, the Department hired an additional 50 child care staff. Community Services Division (CSD) continues to recruit and hire new staff, and has worked closely with the Department's Human Resource Division (HRD) to resolve recruitment issues that had (at one time) delayed hiring. The current staffing level marks a return to the normal, ongoing, and expected attrition rate.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	30 (Cont'd)		In July 2013, the Department transferred responsibility for Temporary Assistance for Needy Families (TANF) childcare eligibility determinations to WorkFirst Program Specialists. This will eliminate hand off work between Working Connections Child Care staff and Work First staff which will help eliminate delays in approving services. In July 2013, the Department in conjunction with the Department of Early Learning (DEL) reviewed program policy. The agencies are co-sponsoring the Child Care Subsidy Policy Eligibility Reform Project. The project is meant to streamline how services are delivered. By March 2014 the Department will: • Work with DEL to review the Washington Childcare Program (WCAP) to identify technology solutions that enhance accuracy of payments and eligibility determinations. • Fully implement episodic auditing (auditing a single action, not the entire case) which allows auditors to focus their review on one portion of the eligibility process at a time. This change in audit approach (from full case to episodic) will allow the Department to focus on error prone cases, while increasing the total percentage of cases audited. By August 2014, the Department will fully utilize BarCode AuditPlus to track, trend and analyze audits to identify and improve error-prone elements including pre-authorization requirements for error-prone cases.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-017.

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Edmonds Community College

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	31	Finding:	Edmonds Community College did not comply with time and effort requirements for its Head Start Program.
		Questioned Costs:	CFDA # 93.600 — Amount $596,035.20
		Status:	Corrective action complete
		Corrective Action:	The College requires hourly employees to complete timesheets and classified employees to enter time in a tracking system. However, the College does not believe exempt employees working 100% on the Head Start Program are required to certify time worked. That said payroll detail was extracted to create a certification form for fiscal year 2011/2012, which included a statement verifying that the dollar figures reported were an accurate and appropriate representation of the exempt employees' Head Start effort. The certification was then signed by the employees, supervisors and the Head Start Executive Director. The same procedure was followed for fiscal year 2012/2013 Head Start is in the process of contracting with the vendor VeriTime, for a web-based Time & Accountability System, which will allow for all employees (both classified & exempt) to verify their time/effort in one system. The College contacted the U.S. Department of Health and Human Services (HHS), Region X and been advised of the official audit finding/repayment procedure. The finding was reported to HHS (the granting agency). Region X personnel will be notified when a determination is made and if any repayment is required. Region X will then communicate directly with the College.
		Completion Date:	March 2013

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	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 # 93.659 — Amount $79,590
		Status:	Refer to finding 2013-018
		Corrective Action:	The Department concurs with this finding. By December 2012 the Department took the following action to correct the issues identified in the audit: • Implemented an automated process within FamLink, the Department's child welfare and payment system, to suspend all adoption assistance payments when the child reaches 18 years of age. For payments to continue the social worker is required to have proper documentation. • Fiduciary staff reviews documented proof that payment beyond age 18 is appropriate. This process serves as a secondary review prior to the manual approval of payment. By March 2013, the Department reviewed all 29 exceptions identified during the audit. An overpayment was processed for all exceptions identified as inappropriate payments. The conditions noted in this finding were previously reported in finding 11-24, 10-32, 09-14 and 08-17.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-018.

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	33	Finding:	The Department of Health did not survey all hospitals and ambulatory surgical centers in accordance with the frequency stipulated by state and federal laws, which could increase the risk of Medicaid clients receiving substandard care.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Refer to finding 2013-019
		Corrective Action:	In June 2013, the Department hired a new hospital surveyor to help "right size" survey staff. In July, the Department appointed a survey team manager who is now responsible for scheduling and managing performance of the hospital survey staff. The successful candidate was a current team member so the Department is now recruiting to replace the vacancy caused by the promotion. The Department expects to have that vacancy filled by November 1, 2013. As of July 1, 2013, the survey team had completed 99% of Ambulatory Surgical Centers surveys required in this federal fiscal year. The Department plans to have a 100% compliance rate by the end of the September 2013. The Department is now using the new survey processes and early results are very encouraging. The Department was able to accomplish five surveys in the month of August which has never been done before. The Department is on track to eliminate, or significantly reduce, the backlog of hospital surveys that are overdue by June 2014. The Department is also waiting for the new statement of work from the Centers for Medicare and Medicaid Services which may have an impact on the survey schedules. The Department has already received notice of two validation surveys that will need to be completed in October 2013. This will reduce the number of state surveys the Department will be able to accomplish that month. The conditions noted in this finding were previously reported in finding 11-25.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-019.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	34	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 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	In November 2012, the Department implemented a client services verification survey. The survey was incorporated into the Department's annual Quality Assurance monitoring cycle. The survey allows the Department to verify directly with clients that they have received the services for which Medicaid is billed. The verification survey is a supplement to provider timesheet audits which are a part of the Quality Assurance monitoring cycle. The conditions noted in this finding were previously reported in finding 11-35, 10-36, and 09-18.
		Completion Date:	November 2012

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	35	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 clients receiving home and community based services. Questioned Costs: CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA Status: Corrective action complete Corrective Action: The Department concurs with this finding. The Department implemented a corrective action plan when this condition was first noted in the previous audit; however, the corrective action plan was not fully implemented by the time the current fiscal year began. The corrective action plan for this current finding essentially concludes the plan that was initiated in the prior year. In August 2012, the Department required all regions to comply with the auditing policy outlined in Management H12-054-Financial Services Quality Assurance Policies and Procedures. Compliance is measured by Home and Community Services Headquarters staff through reports generated from the Audit 99 system. The specific review actions are: • For all staff new to long-term care eligibility, after an initial mentoring period during which staff are assisted with case actions as they occur, 25% - 100% of all case actions will be audited based on the learning level of the staff until they become proficient. • Each region must maintain an average of two audits per month, per worker. These can include full-case audits and focused audits.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	35 (Cont'd)	• Focused audits will be conducted as deemed appropriate by the region, with emphasis given to compliance during policy changes related to corrective actions taken as a result of previous audit findings. Parameters of special focused audits will be developed based on program size and effect on payment errors and sample sizes will be statistically valid. Focused audits can include but are not limited to: o Applications that include community spouses and any accompanying spousal resource declarations; o First annual reviews for cases that include community spouses. The conditions noted in this finding were previously reported in finding 11-33. Completion Date: January 2013

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	36	Finding:	The Department of Social and Health Services does not have an adequate process to identify ineligible Medicaid expenditures for nonqualified aliens, resulting in $77,352.13 in questioned costs.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $77,352.13 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	This finding involved two administrations within the Department, Aging and Disability Services Administration and the Children's Administration. Both administrations concurred with the finding. Aging and Disability Services Administration (ADSA) ADSA previously developed procedures and new Social Service Payment Codes to ensure billing was done correctly. Due to the timing of when the codes were implemented some payments were made when they should not have been. In January 2013, the Department reimbursed the federal portion of the questioned costs that were identified. In February 2013, the Department confirmed all codes were properly implemented and exceptions identified during the audit were corrected. Children's Administration (CA) Only three of the 29 exceptions identified in the audit were the responsibility of the CA. A new code has been established in FamLink and SSPS to pay State Only funds for Non United States Citizen children in CA's care that are receiving Behavioral Rehabilitative Services and are not Medicaid eligible. The Department reimbursed the federal portion of the questioned costs that were identified.
		Completion Date:	May 2013

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	37	Finding:	The Department of Social and Health Services does not have adequate internal controls to ensure daily rates paid to supported living providers for Medicaid clients are accurate and properly authorized.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $10,624 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Department concurs with this finding. In September 2013, the Department implemented an electronic rate approval process. The process includes several steps that require each individual involved in the rate review to document their review in the electronic system. The review is passed on to subsequent reviewers only when this is done. By December 2013, the Department will identify overpayments from rate adjustments and repay them to the federal government.
		Completion Date:	Estimated December 2013

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	38	Finding:	The Department of Social and Health Services, Economic Services Administration, does not have adequate controls in place to ensure all individuals who receive Medicaid benefits are financially eligible.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Department developed and enhanced current desk aids and materials to assist eligibility workers to correctly verify and calculate income when determining eligibility for the Children's Medical program. These were distributed for use by staff in April 2013. Additionally, the Department conducts the following audits/reviews to monitor eligibility determination: • Adult and family medical assistance reviews • Community service division medical assistance reviews • Basic food pre-authorization reviews • Quality assurance focused accuracy reviews • Quality assurance management evaluations Effective October 2013 applications and renewals for pregnant women, children, and families will be processed through the Health Benefits Exchange web portal. Eligibility will be determined through an automated data-match process.
		Completion Date:	April 2013

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	39	Finding:	The Department of Social and Health Services does not have adequate internal controls to ensure Medicaid payments to supported living providers are allowable and supported.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $20,376 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Refer to finding 2013-036
		Corrective Action:	The Department concurs with this finding. The corrective actions below were developed to improve the Department's internal controls over Medicaid payments. In September 2013, the Department started a project to perform payment audits that will verify if services have been provided. This project is currently slated for two years. During this period, two audits a month will be completed. By October 31, 2013, the Department will complete annual reviews of cost reports meant to identify provider overpayments. Any identified overpayments will be referred to the Office of Financial Recovery. By December 31, 2013, changes will be made to Developmental Disabilities Administration Policies (6.02 and 6.04) that will include new cost report schedules. These will add greater transparency and accountability to the cost report process by requiring additional detailed information about direct and indirect staffing costs and hours, administrative salaries, rental costs, agency square footage, and travel mileage on the behalf of clients.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-036.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	40	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 - ARRA / $9,926.70 93.775 93.777 93.778 - ARRA and non ARRA Status: Corrective action in progress Corrective Action: This finding was against two administrations within the Department of Social and Health Services, the Aging and Disability Services Administration (ADSA) and the Economic Services Administration (ESA). Both administrations concur with the finding. Each administration developed an individual corrective action plan. Aging and Disability Services Administration ADSA believes the internal controls in place are sufficient to prevent clients without valid Social Security numbers (SSN) from receiving Medicaid funded services. New Social Service Payment Systems codes have been developed to ensure Medicaid funds are not used for clients with invalid SSNs. In January 2013, ADSA reimbursed the federal grantor for the questioned costs identified in the audit that related to ADSA clients. ADSA would like to state that this finding is specific to 12 cases out of 60,000 and equal to $20,000 out of a the Long Term Care annual budget of $1.7 billion dollars. While this finding represents 0.02% of the cases and 0.001% of the funding, the Department remains committed to pursuing the goal of matching 100% of the clients and SSNs.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	40 (Cont'd)	Economic Services Administration. In February 2013, ESA reviewed the list of exceptions identified in the audit. ESA acknowledged the payments were made in error and is prepared to reimburse the grantor the questioned costs. After the federal grantor reviews the finding, ESA will take the action requested by the grantor. Barcode (one of ESA's primary systems used to process work) has the ability to generate a message to advise staff of a missing or invalid SSN in the Automated Client Eligibility System (ACES), the Department's case management system. Barcode functionality has been implemented to generate tickets advising workload prioritization staff of an invalid and/or insufficient SSN entry. Tickets are worked within an average of 12 business days. By July 2014 ESA is anticipating that ACES 3G will be fully implemented. ACES 3G is an updated version of ACES and includes functions that streamline the client interview process allowing for a real-time cross match of SSNs with the Social Security Administration's database. If the SSN passes, ACES 3G auto-populates the SSN as federally verified. If the SSN does not pass, the invalid SSN is immediately flagged and the worker is prompted to take action to get a valid SSN. Less than 10% of staff currently have access to ACES 3G. Completion Date: Estimated July 2014

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	41	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 - ARRA / $91,001 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Refer to finding 2013-040
		Corrective Action:	The Department concurs with this finding. The Department took the following actions to ensure that each Area Agency on Aging developed an effective tracking system to ensure that all individual providers (IP) for Medicaid clients have current background checks: • Developed and completed corrective action plans with three local offices where the most significant deficiencies were noted. • Terminated payments to providers that did not have current background checks. • Terminated contracts of providers that failed to comply with requests to obtain a current background check. • Issued a Management Bulletin (H13-052) on August 13, 2013 reminding staff of policies related to rechecking of background checks. Additionally ongoing monitoring and review is included in the Quality Assurance (QA) review of a statistically valid sample of IP files during each annual QA review cycle. When the activity moves to ProviderOne and the Provider Compensation Sub-System, the system will not issue payment without a valid, unexpired background check. The Department has contacted the Centers for Medicare and Medicaid Services to address overpayments identified in the audit. The conditions noted in this finding were previously reported in finding 11-34.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-040.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	42	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 93.777 93.778 – ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority disagrees with this finding and maintains that adequate controls are in place to assure that Medicaid is the payer of last resort. The following items demonstrate the priority of the work and items that the Authority has put in place to strengthen third-party liability controls. • The Office of Program Integrity (OPI) has dedicated 1.8 full-time auditors to reviewing pharmacy third-party liability claims for inappropriate use of override codes. The data retrieval has been improved with a better data query (SQL), which has reduced the audit time required. In addition, OPI has implemented audits that identify aberrant patterns and requests providers to perform a self- audit of their claims. • The Authority has also strengthened Coordination of Benefits controls by contracting with Health Management Systems (HMS) to provide supplemental third-party liability recoveries for the Health Care Authority. The Authority is in month 26 of the HMS contract; $9,128,573.02 in supplemental recoveries has been posted. • OPI has analyzed other potential changes to the system, including an edit that would require a valid date in the OTHER PAYER DATE field if an override code is present on the claim. However, since these fields are contained in different segments of the claim transaction, they are not easily configurable, and this system edit is not considered cost effective at this time. However, OPI will continue to look for ways to enhance third-party liability controls. The conditions noted in this finding were previously reported in finding 11-43, 10-51, and 09-24.
		Completion Date:	Estimated October 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	43	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 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Authority is now in compliance with this finding. Regarding licensing, the Provider Enrollment Unit ensures providers have appropriate licenses when first determining eligibility, as well as throughout their enrollment with the Medicaid program. A direct link with the Department of Health (DOH) has been established to automatically update licensing information, which ensures the Provider Enrollment Unit has each provider's most current license information. If a DOH license has expired, ProviderOne ends the taxonomy associated with the provider's file, preventing any further payment to the provider. 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 (DME) providers as moderate to high-risk business partners who require unscheduled, unannounced site visits. The Authority has finalized written policies and procedures to comply with the Act. Site visits are now being conducted and new staff has been approved to carry forward this assignment and increased duties in the future. The Authority ensures newly enrolled DME providers have a physical location as a prerequisite of enrollment with the Authority. The condition noted in this finding was previously reported in finding 11-48 and 10-52.
		Completion Date:	March 2013

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	44	Finding: The Health Care Authority did not have adequate controls to ensure violations of Medicaid laws and regulations by providers are identified and referred to the Medicaid Fraud Control Unit (MFCU), risking the loss of public resources. Questioned Costs: CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA Status: Refer to finding 2013-030 Corrective Action: The Authority does not concur with this finding. The Authority maintains that adequate controls are in place to ensure that violations of Medicaid laws and regulations are identified and referred to the Medicaid Fraud Control Unit (MFCU) in a timely manner. The analysis completed by State Auditor's Office (SAO) focused on "cases" that are entered and tracked through the Authority's Case Tracking System and assigned to Surveillance and Utilization Review (SUR) staff. • The entry of cases into the Case Tracking System should not be considered, by itself, to be a suspicion of fraud or abuse because all complaints are entered. Rather, the system is used to track a variety of cases with appropriate timeframes for follow-up for each type of case. Cases that have sufficient evidence to justify an allegation of fraud require the entry of additional information to indicate that the case has been referred to the MFCU. Cases are tracked until resolved. • Some cases are entered in the case tracking system as placeholders and reminders for staff to follow up with additional review. In addition, there has historically been no consistent criterion for utilization of the Drop Down Labeling in the system so the categories may not be consistent.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	44 (Cont'd)		The Authority complies with the provisions of 42 CFR 455.14 regarding preliminary investigations and 42 CFR 455.15 regarding full investigations. The Authority complies with all federal reporting requirements related to numbers of investigations and detailed processes for conducting each type. A Case Tracking Report can be generated upon request that will show the preliminary and full investigations. In short, this finding identifies inconsistencies in the Authority's use of its Case Tracking System rather than any actual deficiency in identification of fraud or referral to MFCU. SAO's scrutiny assisted the Authority in identifying the need for more consistency in the use of the Case Tracking System. However, it is wrong to conclude that the Authority does not have control of its caseload and does not refer all appropriate cases to MFCU based upon the length of time a case has been open in the Case Tracking System. Processes are in place to prioritize the work of SUR investigators, ensuring that the Authority is addressing those cases with the highest potential for fraud, waste and abuse and properly utilizing resources to focus on cases that yield the highest return on investment. In September 2013, the Office of Program Integrity hired a Payment Review Program manager who will help streamline processes and provide consistency in how the cases are tracked in the Case Tracking System. The condition noted in this finding was previously reported in finding 11-46.
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-030.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	45	Finding:	The Health Care Authority's inadequate internal controls over claims from Federally Qualified Health Centers led to payments of more than $1.4 million for charges improperly calculated and claimed.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $727,690 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Refer to finding 2013-026
		Corrective Action:	The Authority agrees with this finding. Currently, the internal controls for Federal Qualified Health Centers (FQHC) overpayments and improper billings rely more heavily on post-pay claims review and recoupment rather than denial at the point of claim submission. The Authority will make the appropriate updates to the system and billing guides for FQHCs so that the system edits will prevent overpayments and improper billings at the point of claim submission. This will include denial of claims without a qualifying encounter service being billed for the same client on the same day, as well as multiple billings for one client for the same day that should be included in one encounter billing. The Authority will work with its internal audit staff to recoup the improperly paid claims and will work with the U.S. Department of Health and Human Services to determine treatment of questioned costs. As of October 2013, system modifications have been identified, but need to be tested and then moved into production. The Washington Administrative Code and Medicaid Provider Guide (MPG – formerly known as the Billing Instructions) changes have been requested.
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-026.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	46	Finding: The Health Care Authority improperly claimed $48,365.31 in federal reimbursement for the Medicaid program. Questioned Costs: CFDA # / Amount 93.720 – ARRA / $48,365.31 93.775 93.777 93.778 – ARRA and non-ARRA Status: Corrective action in progress Corrective Action: The Authority agrees with this finding and concurs that 162 claims were erroneously paid after the client's date of death. • The Authority has reviewed and recouped all the payments identified by the State Auditor's Office as paid to deceased persons. • The Authority continues to strengthen procedures to improve the immediate documentation of a client's death. For managed care and fee-for-service payments, ProviderOne does capture and recoup paid claims when notified of a date of death through the Automated Client Eligibility System (ACES), the eligibility source system. In addition, the Authority will continue to receive death data from the Department of Health to assist with the proper identification of client death information. The Authority will continue to refine post payment processes to capture this information for timely recoveries. • The Authority has reviewed all payments cited by the State Auditor's Office to ineligible people and concurs with the auditor's findings**.** The Authority will arrange repayment of any federal funds received in error by January 2014. • The Authority will strengthen training processes already in place by sending a social security number (SSN) verification reminder memo to Community Services Division staff. The Authority will continue to pursue enhancements to verification procedures that promote SSN accuracy. The Authority anticipates SSN accuracy will improve under health care reform because clients will input their own SSNs and will get instant feedback if an input error was made. Completion Date: Estimated September 2013

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	47	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 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Refer to finding 2013-024
		Corrective Action:	The Authority continues to disagree with this finding but will take the following actions in an effort to resolve the repeat findings on this issue: • The Authority will use encounter data submitted from the Managed Care Organizations (MCOs) for the next rate-setting activities. The MCOs will no longer submit encounter data directly to the Authority's actuary. • With the implementation of a new Medicaid payment system and a new Fraud and Abuse Detection System, Washington Medicaid has launched a Managed Care Program Integrity Initiative. The purpose of the initiative is to assess the quality and completeness of encounter data provided by MCOs and to conduct analyses that identify potential fraud, waste and abuse. If encounter data problems are identified, the Authority will prepare a report with actionable information for the plans. Subsequent encounter data validation runs will determine progress by the MCOs in remediating the identified issues. • The Authority is also participating with the State Auditor's Office in the performance audit of the MCOs. The condition noted in this finding was previously reported in finding 11-40, 10-44 and 09-22.
		Completion Date:	The condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-024.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	48	Finding: The Health Care Authority did not complete the required automatic data processing (ADP) risk analysis and system security reviews of ProviderOne, the new Medicaid Management Information System, risking the loss of Medicaid program assets and jeopardizing Medicaid program integrity. Questioned Costs: CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA Status: Refer to finding 2013-028 Corrective Action: The Authority partially agrees with this finding. The Authority considers the safeguarding of personally identifiable and protected health information a top priority and has required controls in place. However, the Authority agrees that additional independent review will strengthen Authority's ability to ensure that the ProviderOne vendor has effective controls in place. For automatic data processing assets under its direct control, the Authority has implemented security controls consistent with the Washington State Office of the Chief Information Officer (OCIO) Security Standard 141.10, OMB Circular A-133, the HIPAA Security Rule, and other guiding and regulatory documents. Examples of controls include but are not limited to the following: • Utilization of services provided by Consolidated Technology Services to secure the network perimeter; • Implementation of user device endpoint protection to guard against malware and other threats; • Encryption of confidential data where appropriate; • Development of applications which protect against common exploits; • Active management of user access controls; • Implementation of password standards consistent with OCIO requirements; • Appropriate response to security incidents.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	48 (Cont'd)		As of September 2013, the ProviderOne vendor provided the Authority with Service Organization Control (SOC) examination reports for its subcontractors. The ProviderOne vendor will complete documentation for SOC controls by December 31, 2013. The ProviderOne vendor will undergo a SOC examination the first quarter of 2014 and every two years thereafter.
		Completion Date:	This condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-028.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	49	Finding:	The Health Care Authority does not comply with the data-sharing requirements of 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 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Refer to finding 2013-020
		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 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'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. Additionally, in 2013 the Authority implemented the Payer Initiated Eligibility/Benefit (PIE) Transaction tool developed by the Centers for Medicare & Medicaid Services. PIE was developed as the national standard for payers to share information with Medicaid agencies. The condition noted in this finding was previously reported in finding 11-38, 10-40, and 09-19.
		Completion Date:	This condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-020.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	50	Finding:	The Health Care Authority did not adequately monitor subrecipients to ensure Medicaid Administrative Match expenditures are allowable and subrecipients obtained federal compliance audits.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Authority agrees with the finding and has implemented the following corrective actions: To improve oversight, the Medicaid Administrative Match program added a fiscal component to its monitoring of school districts and local health jurisdictions. Beginning June 1, 2012 the fiscal monitoring for the timeframe monitored, the Authority uses a random sampling process to select time study participants. The Authority compares the actual salaries and benefits of those selected through this process to salaries and benefits claimed for those participants. The Authority also reviews direct and indirect claimed costs for the same period monitored. Additionally, effective November 2012, all contract monitoring tools have been updated to include verification of compliance with subrecipient audit requirements as part of the Authority's onsite/desk monitoring process. One staff member has been assigned the task of tracking receipt of needed audits from subrecipients, reviewing them and ensuring audit findings are addressed. The conditions noted in this finding were previously reported in finding 11-42.
		Completion Date:	June 2012

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	51	Finding: The Health Care Authority does not perform the federally required retrospective drug use review of pharmaceutical claims data to identify patterns of fraud or abuse. Questioned Costs: CFDA # / Amount 93.720 - ARRA / $0 93.775 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 performs ongoing periodic review of pharmaceutical claims data to identify fraud, waste, or abuse which satisfies federal requirements. The Authority performs claim review and analysis in multiple offices, including but not limited to the Office of Program Integrity (OPI) mentioned in Description and Cause of Condition. The Authority does not assert that the claims analysis performed by OPI satisfies federal conditions on its own. Analysis performed in OPI, by the Quality Management Team, and the Patient Review and Coordination program work together to satisfy federal requirements. The State Auditor's Office (SAO) was provided with information in October 2012 detailing three claim review and analysis algorithms performed by OPI during state fiscal year 2012. Two of these three are not mentioned in this finding despite their details having been submitted to SAO. Additional analyses were performed by OPI during the same period that were not detailed for the SAO, because they did not result in opportunities for recoupment (i.e., additional reviews were performed which looked for, but did not find significant fraud, waste, abuse, or billing errors).

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	51 (Cont'd)	In addition to the work of OPI, the agency's Quality Management Team performed 175 claim analyses of individual prescribers in federal fiscal year 2012, and the Patient Review and Coordination program performed 4,249 individual client claim analyses. The Authority is very interested in working with the SAO to provide additional information or clarification so as to eliminate this repeat audit finding in the future. The condition noted in this finding was previously reported in finding 11-41, 10-53 and 09-20. Completion Date: N/A

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	52	Finding:	The Health Care Authority cannot be sure it is properly claiming Children's Health Insurance Program (CHIP) funds.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	The Health Care Authority agrees with the finding and has taken corrective action. The Authority developed a report using data from the Medicaid Management Information System to identify claims by Recipient Aid Category and Federal Poverty Level based on net income. The report was implemented for state fiscal year 2013 beginning with the quarterly transfer for July-September 2012, which was processed in January 2013. The condition noted in this finding was previously reported in finding 11-37 and 10-35.
		Completion Date:	January 2013

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	53	Finding: The Health Care Authority's inadequate internal controls over claims for dental services led to more than $648,000 in overpayments to providers. Questioned Costs: CFDA # / Amount 93.720 - ARRA / $324,237 93.775 93.777 93.778 - ARRA and non-ARRA Status: Refer to finding 2013-027 Corrective Action: The Authority has or will take the following corrective action: • Fluoride treatment for children. The Authority agrees that the Medicaid billing guide, Washington Administrative Code (WAC) and the ProviderOne system are not aligned. It is the Authority's intent to allow fluoride with applicable age/annual limits, per client, per provider consistent with the Medicaid provider guide. A Code Revision has been filed to update the WAC. No recovery is necessary. • Dental Cleanings. The Authority found system issues that have been corrected, and the Authority's Division of Program and Payment Integrity is in the process of recouping overpayments. • Dental X-rays. The Authority agrees that the billing guide and WAC are not aligned with the ProviderOne payment system. It is the Authority's intent to pay for necessary diagnostic X-rays per client, per provider. The Authority is in the process of updating the WAC and billing guides, and any payments made outside of these limitations will be identified and recouped by the Authority. • Oral Evaluation Services. The Authority agrees that there were system issues for most of the overpayments. The Authority is in the process of updating the WAC and billing guide to allow for additional evaluations for clients managed by the Department of Social and Health Services' Aging and Disability Services Administration. • Limited Visual Evaluations and Family Oral Health Education. The Authority paid both services with a miscellaneous code, and was unable to set up automated system limitations. However, the Authority now has new codes with edits for the Limited Visual Evaluation as of January 1, 2013, and has set up system limits for both services. The Authority has submitted requests to the Office of Payment Integrity to identify overpayments and recoup funds. Completion Date: This condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-027.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan
12	54	Finding: The Health Care Authority does not have adequate controls in place to verify services billed by providers with Medicaid beneficiaries in accordance with federal laws, risking the loss of Medicaid resources. Questioned Costs: CFDA # — Amount 93.720 - ARRA — $0 93.775 93.777 93.778 - ARRA and non-ARRA Status: Refer to finding 2013-031 Corrective Action: The Authority does not agree with the finding and disagrees that the Medical Service Verification (MSV) process lacks adequate controls. Historically, the MSV process has proven to have no value in detecting fraud. The Authority prioritizes its program integrity and surveillance and utilization review resources in areas that have been proven to yield a higher return on investment. For example, the toll free hot line, hot tips and statistical studies have the potential to develop into a significant case and yield higher returns than MSVs. Therefore, the Authority maintains a position that spending resources on MSV processing actually reduces its ability to focus on program integrity activities that increase controls. Of the 30 MSVs noted in the audit as "lacking follow-up," the Authority maintains that resources dedicated to these MSVs were appropriate given the process and the dollar values at stake: • Thirteen (13) (including three that were paid at zero and a fourth with 39 cents at risk) were not followed up because the amounts paid did not warrant the purchase of translation services (average of $68 per MSV). • Another six (with an average of less than $12 per MSV) were not followed-up because the clients could not be located. • Of the 11 remaining, 10 MSVs (with an average paid amount of $28) received no follow-up when, for instance, clients checked every box, checked no boxes, or completed the form when the service in question was provided to another member of the household.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	54 (Cont'd)		The audit also identified 20 surveys sent to clients that should have been excluded. The Authority notes that the Centers for Medicare and Medicaid Services (CMS) Manual suggests that states review "a sample of at least 400 recipients each month." In 2012, the Authority reviewed an average of more than 700 MSVs per month—75% more than suggested. In terms of fraud detection, the Authority believes this exceptional number of MSV reviews more than compensates for the 20 MSV cases that should have been excluded. The Authority will continue to refine its selection process for MSV reviews and will continue to meet federal MSV requirements. A system Change Request is in process for refining the universe of claims included so that only categories that meet federal MSV requirements are selected. The conditions noted in this finding were previously reported in finding 11-39.
		Completion Date:	This condition noted in this finding was repeated in Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-031.

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	55	Finding:	The Health Care Authority did not ensure that all individuals who received Medicaid benefits had valid Social Security numbers.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $61,267.23 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action in progress
		Corrective Action:	The Authority concurs with this finding. The Authority will continue to send monthly "NO SSN" reports to Community Services Division for correction. Many of the 206 clients with no Social Security number (SSN) identified in the audit have had their Medicaid terminated or they received Medicaid for services for which a SSN is not required, such as labor and delivery or alien emergency medical services. The Authority's foster care medical team has changed processes to add the SSN for children in adoption support. Of the 14,000 children in adoption support, approximately 90% now have a SSN listed in the Automated Client Eligibility System (ACES). Before this change, the SSN had been verified but it was not input in ACES. The Authority has sent a memo outlining procedures for verifying SSNs in order to ensure that staff involved in the verification process are following the correct SSN verification procedures. The Authority will continue to pursue enhancements to verification procedures that promote SSN accuracy. The Authority anticipates SSN accuracy will improve under Health Care Reform due to the client inputting their own SSN and getting instant feedback if an input error was made. The Authority will pay back the federal share for any payments made on ineligible persons by January 2014.
		Completion Date:	Estimated January 2014

Health Care Authority

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	56	Finding:	The Health Care Authority did not have adequate controls to ensure the federal share of overpayments to Medicaid providers is refunded to the federal government in a timely manner.
		Questioned Costs:	CFDA # / Amount 93.720 - ARRA / $0 93.775 93.777 93.778 - ARRA and non-ARRA
		Status:	Corrective action complete
		Corrective Action:	As part of the Authority's process for auditing providers to identify overpayments, draft audit reports are issued as a preliminary step. The draft reports are subject to modification based upon provider responses. Accordingly, the Authority did not consider preliminary recovery amounts identified in draft audit reports to be "discovery," and was not sending draft audit reports to Office of Financial Recovery (OFR). The Office of Program Integrity contacted OFR to let them know the Authority would be adding the date of the draft letter to the account allocation code sheet, effective January 16, 2013. This met with OFR's approval and this action has been completed. The conditions noted in this finding were previously reported in finding 11-27, 10-49, and 09-28.
		Completion Date:	January 2013

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	57	Finding:	The Department of Health did not maintain federally required documentation for $140,468 in payroll costs charged to the National Bioterrorism Hospital Preparedness Program.
		Questioned Costs:	CFDA # 93.889 — Amount $140,468.09
		Status:	Corrective action complete
		Corrective Action:	Since July 2012, the employees have been using positive time and attendance record keeping which reflects actual time worked in accordance with federal requirements. The Department will address the issue of the questioned costs with its federal grantor. The conditions noted in this finding were previously reported in finding 11-19 and 10-26.
		Completion Date:	July 2012

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Department of Health

Fiscal Year	Finding Number	Finding and Corrective Action Plan		
12	58	Finding:	The Department of Health did not obtain a Data Universal Numbering System (DUNS) number from subrecipients prior to awarding federal dollars under the HIV Care Formula Grant Program.	
		Questioned Costs:	CFDA # 93.917	Amount $0
		Status:	Corrective action complete	
		Corrective Action:	The Department agreed with the finding and, upon notification of the issue, immediately collected Data Universal Numbering System (DUNS) numbers from all current subrecipients. In December 2012, the Department clarified the requirement with staff that the DUNS number will be collected for all sub-contractors by using the Federal Funding Accountability and Transparency Act form. Management will not approve a contract for routing for approval if this form is not attached.	
		Completion Date:	January 2013	

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	59	Finding:	The Military Department does not have sufficient internal controls to ensure all of its subrecipients receive audits for the Disaster Grants–Public Assistance program when required.
		Questioned Costs:	CFDA # 97.036 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department concurs with this finding and implemented corrective action through a new policy which was adopted effective July 1, 2013. The policy requires the Department to have a well-executed sub-award agreement. A new sub-award agreement template has been finalized and is being used for all new awards. Additionally, the policy requires that each unit with responsibility for pass-through funding create appropriate procedures that reflect the requirements of their programs. The policy also requires the finance unit to work with Emergency Management Division to ensure sub-grantees who meet the threshold stated in Office of Management and Budget (OMB) Circular A-133 receive audits. The Department developed a new Sub-Grantee Audit Certification Form 1009-13 on which sub-grantees certify whether they are required to have an audit and that they have had an audit if required. The form is being added to the 2014 boilerplate language for all sub-grantee awards. The Department's Contracts office will be tracking receipt of the form and that audits are filed. Funding source program managers will be tracking corrective actions and providing information to the Contracts office**.** The staff from affected units within the Department met to finalize the subrecipient audit review process, including roles and expectations of each work unit.
		Completion Date:	September 2013

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	60	Finding:	The Military Department did not file reports required by the Federal Funding Accountability and Transparency Act for the Disaster Grants-Public Assistance program.
		Questioned Costs:	CFDA # 97.036 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department's contracts office attempted to comply with the new Federal Funding Accountability and Transparency Act (FFATA) reporting requirement upon notification of the new reporting requirement in October 2010. The Department assigned a staff member to learn and maintain the new federal reporting system in September 2010. From the very start of the process, the Department encountered problems that prevented data entry in the federal reporting system. The Department was in communications with federal systems administration since the reporting requirement started in October 2010. The system problem has been corrected. The FFATA reports are being maintained on a monthly basis. A policy and procedure have been developed to ensure that management is monitoring the FFATA reporting process and addressing any problems that may arise.
		Completion Date:	June 2013

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	61	Finding:	The Military Department did not comply with the Federal Funding Accountability and Transparency Act reporting requirements for the Homeland Security Grant Program**.**
		Questioned Costs:	CFDA # 97.067 — Amount $0
		Status:	Corrective action complete
		Corrective Action:	The Department's contracts office attempted to comply with the new Federal Funding Accountability and Transparency Act (FFATA) reporting requirement upon notification of the new reporting requirement in October 2010. The Department assigned a staff member to learn and maintain the new federal reporting system in September 2010. From the very start of the process, the Department encountered problems that prevented data entry in the federal reporting system. The Department was in communications with federal systems administration since the reporting requirement started in October 2010. The system problem has been corrected. The FFATA reports are being maintained on a monthly basis. A policy and procedure have been developed to ensure that management is monitoring the FFATA reporting process and addressing any problems that may arise.
		Completion Date:	June 2013

(This schedule only addresses findings previously reported that would be reportable under the revised OMB Circular A-133. It reflects agency corrective action status as of September 30, 2013.)

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	62	Finding:	The Military Department does not have sufficient internal controls to ensure all of its subrecipients receive audits when required and that all subrecipients take timely and appropriate corrective actions for audit findings issued for the Homeland Security Grant Program.
		Questioned Costs:	CFDA # 97.067 — Amount $0
		Status:	Refer to finding 2013-043
		Corrective Action:	The Department concurs with this finding and implemented corrective action through a new policy which was adopted effective July 1, 2013. The policy requires the Department to have a well-executed sub-award agreement. A new sub-award agreement template has been finalized and is being used for all new awards. Additionally, the policy requires each unit with responsibility for pass-through funding creates appropriate procedures that reflect the requirements of their programs. The policy also requires the finance unit to work with Emergency Management Division to ensure sub-grantees who meet the threshold stated in Office of Management and Budget (OMB) Circular A-133 receive audits. The Department developed a new Sub-Grantee Audit Certification Form 1009-13 on which sub-grantees certify whether they are required to have an audit and that they have had an audit if required. The form is being added to the 2014 boilerplate language for all sub-grantee awards. The Department's Contracts office will be tracking receipt of the form and that audits are filed. Funding source program managers will be tracking corrective actions and providing information to the Contracts office**.** The staff from affected units within the Department met to finalize the subrecipient audit review process, including roles and expectations of each work unit.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-043.

Military Department

Fiscal Year	Finding Number	Finding and Corrective Action Plan	
12	63	Finding:	The Military Department's internal controls over subrecipient monitoring are not working as designed and the Department does not adequately monitor subrecipients of the Homeland Security Grant Program.
		Questioned Costs:	CFDA # 97.067 — Amount $0
		Status:	Refer to finding 2013-045
		Corrective Action:	The Department concurs with the findings in this audit. The Homeland Security Section has resumed monitoring. An increased focus has been placed on the requirements for subrecipient monitoring, and the Department is leveraging its resources by monitoring all open grant agreement contracts during a single monitoring visit when practicable. In addition, a new policy was adopted effective July 1, 2013. The new policy requires the Department to have a well-executed sub-award agreement. This has been finalized and is being used for all new awards. Additionally, each section with responsibility for pass-through funding is in the process of creating appropriate procedures that reflect the requirements of their programs. The new policy also establishes the Program Manager Workgroup for the purpose of creating department-wide processes and efficiencies. The Workgroup is finalizing a charter and will be meeting monthly to address these issues. The Program Managers have responsibility for addressing process improvement and procedural documents for their respective work units. Grant Managers continue to utilize the SharePoint monitoring tool for documenting desk reviews and on-site visits. Monitoring reports are uploaded and shared department-wide. Desk reviews and on-site monitoring is typically conducted by a minimum of two staff ensuring cross-training and consistent monitoring methods.
		Completion Date:	The condition noted in this finding was repeated in the Fiscal Year 2013 Washington Single Audit. Refer to finding 2013-045.

Department of Social and Health Services

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 complete
		Corrective Action:	The Department concurs with this finding. The Department has taken and will continue to address 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. In April 2012, the staff person responsible for time certification started reviewing salary charges on a monthly basis to ensure costs are transferred as appropriate. Also, ongoing quarterly reviews will be completed to reconcile time spent with actual expenditures.
		Completion Date:	April 2012

Department of Social and Health Services

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 # 10.551, 10.561 — Amount $11,300.00 (approx.) Status: Corrective action complete 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 were reviewed by Department staff who determined the correct supplement amount for which the client was eligible. For those payments determined to be unallowable the Department established an overpayment that was issued to the client. Retroactive benefit functionality will not be available until January 2014 (at the soonest). The Department continues to develop the requirements to allow the Automated Client Eligibility System (ACES) functionality to prevent retroactive payments beyond the allowable 12-month period. However, system changes needed to implement Health Care Reform will significantly limit available ACES programming hours in 2013.

Department of Social and Health Services

Fiscal Year	Finding Number	Finding and Corrective Action Plan
11	02 (Cont'd)	In the meantime, the Department has established other internal controls to ensure accurate processing of retroactive benefits until we are able to implement the new ACES functionality. Economic Services Administration Management Accountability and Performance Statistics generates a quarterly retroactive benefit report, which Community Service Division staff work to determine the correct supplement amount for which the client was eligible. For cases where unallowable payments were made, the Department establishes appropriate overpayments. 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: November 2012

University of Washington

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 complete 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 (DOE) for the questioned costs related to the Pell Grant Program, CFDA #84.063. The total amount of repayment that they are requesting is $10,668.62 (which is the amount of overpayment plus interest). Payment was sent to DOE on April 17, 2012.

University of Washington

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 (DOE) 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 was sent to DOE on April 17, 2012. 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: October 2012

Department of Services for the Blind

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 complete Corrective Action: The Department acknowledges the finding. The Department provided training to vocational rehabilitation counselors on the importance of meeting individual plans for employment (IPE) timelines while acknowledging that, in providing individualized services, circumstances may arise that don't allow timelines to be adhered to. In those cases, documentation needs to describe the justification for delay to signing a plan. Training was provided at the April 25 and October 10, 2012, counselor meetings. As well, IPE timelines for each caseload are reviewed monthly with counselors. This is to ensure that timelines are met or justification for delay is documented. Training was also provided encouraging the best practice of service item description within the plan, with best estimated costs listed. In March 2012, the Department submitted to the U.S. Department of Education Rehabilitation Services Administration (RSA) a request for determination on whether the tools and methods developed by the Department for documenting estimated 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. RSA replied in a letter received by the Department on October 1, 2012, that the Department met necessary requirements and the finding is considered closed. The letter states that as procedural training to staff was implemented, all client services provided were allowable under the grant; and all consumers listed in the audit were eligible for services; they consider the finding closed. No recovery of funds is sought by RSA. Completion Date: October 2012

Department of Commerce

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 # 93.569, 93.710 - ARRA; Amount $147,422.00 Status: Corrective action complete 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

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. During April 2012 all pre-coding was removed from payment document (invoice) templates and a request was sent to contractors asking them to stop using old pre-coded templates. Understanding a federal program may have awards with overlapping / concurrent periods of availability, in January 2012 the Department added award tracking to its Contract Management System (CMS), including award first-in-first-out (FIFO) functionality to help reduce or eliminate cost transfers at award end between award years. In June 2012, the Department began entering Community Services Block Grant awards in CMS using the FIFO functionality. In July 2012, the Department added CMS system edits to notify users when attempting to use coding not associated with the contract. In March 2013, CMS was enhanced to provide pop-up warning messages when: • Funding a contract a warning if the Master Index has a closing date that is older than the present date. • The service dates for an invoice are outside the contract dates. • The service end date for an invoice correction or recovery is greater than the MI end date. • The document date on a Journal voucher is greater than the MI end date. The condition noted in this finding was previously reported in finding 10-30. Completion Date: March 2013

Department of Social and Health Services

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 complete
		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 has taken the following actions: • In March 2012, the Invalid Payment Report was implemented and is utilized on an ongoing basis. • In April 2012, all exceptions identified in the audit were reviewed and overpayments were established for all unallowable payments. • In November 2012, the Overpayment Policy was finalized and implemented. 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:	November 2012

Department of Social and Health Services

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 complete 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

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 took the following actions to ensure Medicaid payments to in-home service providers are allowable and supported: • In October 2012, the Department monitored a randomly selected, statistically valid sample of in-home providers. This was done by means of a telephone verification survey. • In December 2012, the Department audited a randomly selected sample of individual provider timesheets to determine if services billed for are consistent with timesheet documentation that was submitted. In July 2012, the Department learned the U.S. Department of Health and Human Services (HHS) will not determine the status of questioned costs until the audit makes its way through the Federal audit clearinghouse. It could be one to two years before HHS makes a decision on questioned costs. When HHS reviews the audit the Department will work with them on questioned costs. The condition noted in this finding was previously reported in finding 10-42 and 09-21. Completion Date: December 2012

Health Care Authority

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

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

Department of Health

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 pending audit follow-up
		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 fieldwork 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

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 # 94.006 - ARRA and non-ARRA; Amount $0 Status: Corrective action complete Corrective Action: Based on areas identified for improvement, the Washington Commission for National and Community Service carried out a series of program monitoring enhancements to improve consistency and internal controls: • On July 19, 2012, the Commission explained its Corrective Action policy for all new/continuing AmeriCorps subgrantees at its Statewide Director meeting. 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. • On July 19, 2012, the Commission explained 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.) • On August 31, 2012, the Commission completed all risk assessments for program year 2012-13. All new subgrantees are considered high risk and were monitored within three months after their contract has started. • By January 31, 2013, all AmeriCorps subgrantees 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. Completion Date: January 2013

Employment Security Department

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 complete
		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 the following: • Created a background check policy and procedures to ensure compliance with program documentation requirements. • Revised records retention processes by maintaining all background check documentation centrally in the program headquarters office. • Improved internal controls by ensuring independent reviews are conducted on all member files. • Increased staff and sub-recipient awareness of documentation requirements through training, ongoing communication and increased monitoring and technical assistance. • Hired 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:	June 2012

University of Washington

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 complete 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 of 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. Phase III was implemented in the 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

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: Summer 2012

Washington State Agency Codes (By Agency Alphabetically)

For the Fiscal Year Ended June 30, 2013

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)
163	Consolidate Technology Services (CTS)
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)
540	Employment Security Department (ESD)
179	Enterprise Services, Department of (DES)
468	Environmental and Land Use Hearings Office (ELUHO)
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)
075	Governor, Office of the (GOV)
648	Grays Harbor College (GHC)
649	Green River Community College (GRC)
521	Hardwoods Commission (HRWD)
303	Health, Department of (DOH)
107	Health Care Authority, State (HCA)
599	Health Care Facilities Authority, Washington (WHCFA)
346	Higher Education Facilities Authority, Washington (WHEFA)
652	Highline Community College (HCC)
118	Hispanic Affairs, Commission on (CHA)
390	Historical Society, Washington State (WHS)
185	Horse Racing Commission (HRC)
011	House of Representatives (REP)
148	Housing Finance Commission, Washington State (HFC)
120	Human Rights Commission (HUM)
086	Indian Affairs, Governor's Office of (INA)
190	Industrial Insurance Appeals, Board of (IND)
135	Innovate Washington (IWA)
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)
050	Judicial Conduct, Commission on (CJC)
235	Labor and Industries, Department of (L&I)
692	Lake Washington Institute of Technology (LWIT)

Washington State Agency Codes (By Agency Alphabetically)

For the Fiscal Year Ended June 30, 2013

Agency No.	Agency
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)
037	Legislative Support Services, Office of (LSS)
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)
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)
465	Parks and Recreation Commission, State (PARKS)
665	Peninsula College (PEC)
637	Pierce College (PIE)
205	Pilotage Commissioners, Board of (BPC)
462	Pollution Liability Insurance Program, Washington (PLI)
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)
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)
225	State Patrol, Washington (WSP)
040	Statute Law Committee (SLC)
340	Student Achievement Council (SAC)
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)
359	Washington Charter School Commission (WCSC)
365	Washington State University (WSU)
686	Wenatchee Valley College (WVC)
380	Western Washington University (WWU)
621	Whatcom Community College (WHC)
354	Workforce 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, 2013

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)
037	Legislative Support Services, Office of (LSS)
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)
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)
135	Innovate Washington
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)
160	Office of the Insurance Commissioner (INS)
163	Consolidated Technology Services (CTS)
165	Board of Accountancy (ACB)
167	Forensic Investigation Council (FIC)
179	Enterprise Services, Department of
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)
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)
340	Student Achievement Council (SAC)
341	Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF)
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, 2013

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)
359	Washington Charter School Commission (WCSC)
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)
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)
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 and Land Use Hearings Office (ELUHO)
471	State Conservation Commission (SCC)
477	Department of Fish and Wildlife (DFW)
478	Puget Sound Partnership (PSP)
490	Department of Natural Resources (DNR)
495	Department of Agriculture (AGR)
521	Hardwoods Commission (HRWD)
540	Employment Security Department (ES)
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, 2013

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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