

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

State of Washington July 1, 2016 through June 30, 2017

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the State of Washington are summarized below in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified 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 reported 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 Child Care and Development Fund Cluster (CFDA 93.575 Child Care and Development Block Grant, and the CFDA 93.596 Child Care

Mandatory and Matching Funds of the Child Care and Development Fund) for which we issued an adverse opinion on compliance with applicable requirements.

We reported findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs:

The following programs were selected as major programs in our audit of compliance in accordance with the Uniform Guidance.

CFDA	PROGRAM
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
17.225	Unemployment Insurance (UI)
20.319	Highway Speed Rail Corridors and Intercity Passenger Rail Service – Capital Assistance Grants
64.015	Veterans State Nursing Home Care
66.468	Capitalization Grants for Drinking Water State Revolving Fund
84.007	<u>Student Financial Assistance Cluster</u>
84.033	Federal Supplemental Educational Opportunity Grants (FSEOG)
84.038	Federal Work-Study Program
84.063	Federal Perkins Loan (FPL) – Federal Capital Contributions
84.268	Federal Pell Grant Program
84.379	Federal Direct Student Loans
93.264	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
93.342	Nurse Faculty Loan Program (NFLP)
93.364	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students (HPSL/PCL/LDS)
84.010	Nursing Student Loans (NSL)
84.027	Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)
84.173	<u>Special Education Cluster (IDEA)</u>
84.126	Special Education – Grants to States (IDEA, Part B)
93.266	Special Education – Preschool Grants (IDEA Preschool)
93.558	Rehabilitation Services – Vocational Rehabilitation Grants to States
93.563	Health Systems Strengthening and HIV/AIDS Prevention
93.575	Temporary Assistance for Needy Families (TANF) State Programs
93.596	Child Support Enforcement
93.658	<u>Child Care and Development Fund Cluster</u>
93.659	Child Care and Development Block Grant
93.667	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
	Foster Care – Title IV-E
	Adoption Assistance – Title IV-E
	Social Services Block Grant

CFDA	PROGRAM
93.767	Children's Health Insurance Program (CHIP)
	<u>Medicaid Cluster</u>
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)
93.959	Block Grants for Prevention and Treatment of Substance Abuse
	<u>Disability Insurance/SSI Cluster</u>
96.001	Social Security – Disability Insurance (DI)
96.006	Supplemental Security Income (SSI)
97.036	Disaster Grants – Public Assistance

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$30,000,000.

The State did not qualify as a low-risk auditee under the Uniform Guidance.