

Department of Commerce – FY23

Accountability audit issue

Level of reporting rationale

Title of audit area tested: Behavioral Health Facilities – Eligibility and Allowability

Total population of items tested <i>(number and \$)</i>	Eligibility Population - \$10,527,426.06 for 10 grants Eligibility Sample - \$7,675,742.02 for 7 grants Allowability Population- \$11,841,412.62 for 45 transactions Allowability Sample - \$10,142,995.03 for 27 transactions
Noncompliance rate <i>(number of items with exceptions/total population)</i>	Eligibility Noncompliance rate – 70% or (100% of samples) Allowability Noncompliance rate – 11% or (18% of samples)
Dollars in question <i>(differentiate between improper and unsupported payments)</i>	Eligibility – Improper: \$7,675,742.02 Allowability – Unsupported: \$2,244,839.05
Audit Issue Description	
<p>Eligibility:</p> <p>3 samples that did not have evidence that the application was developed in collaboration with one or more regional behavioral health entities that administer the purchasing of service.</p> <p>2 samples that did not have evidence that the applicant has assessed and would meet gaps in geographical behavioral health services needs in their region.</p> <p>6 samples that did not have a commitment to serve persons who are publicly funded, and persons detained under the involuntary treatment act under chapter 71.05 RCW</p> <p>6 samples that did not have the applicant's commitment to work with local courts and prosecutors to ensure that prosecutors and courts in the area served by the hospital or facility will be available to conduct involuntary commitment hearings and proceedings under chapter 71.05 RCW.</p> <p>Allowability:</p> <p>2 samples that did not have adequate backup documentation (detailed invoices or checks showing the recipient has paid more or equal to the sample amount).</p> <ul style="list-style-type: none"> • One sample did not have proof of the recipient paying the contractor before being reimbursed for funds. • One sample did not have detailed invoices showing the costs incurred were allowable for reimbursement. <p>4 samples where site photos were not provided as projects moved through the 50% threshold or were 100% completed.</p>	

1 sample overlapped having issues with inadequate backup documentation showing what costs were incurred, and not having site photos at 100% contract completion.

Recommended Level of Reporting

Finding

Rationale for Level of Reporting

Eligibility

The Department is not following budget proviso when determining if a recipient is eligible for grant funds. Funds were granted to applicants who did not comply with the rules in budget proviso set by the legislature.

Allowability

The Department also appears to be not handling reimbursement of grant funds correctly. 4 samples did not have site photos showing the funds being used. Additionally, we had 2 reimbursement payments that did not have sufficient backup documentation to support the reimbursement.