

2020 Update on Single Audit (2019) Findings

12/21/2020

What is a Single Audit & Why do we have one?

- ▶ As a government agency in the state of Washington King County is audited by the State Auditors Office (SAO) on an annual basis
 - ▶ Staff from the SAO come on site and review documentation, transactions, policies and procedures, interview staff, etc
 - ▶ This audit covers ALL King County Federal Funds received

What is a Single Audit & Why do we have one?

- ▶ Every year the SAO selects several Federal grants to review- they review activity/transactions from the previous year
 - ▶ 330h HCHN was not selected this year
 - ▶ We still need to be aware of any findings other grants receive because we will be selected in the future- the SAO will heavily scrutinize any activities related to any previous findings
 - ▶ We do not want to be at risk for repeat findings

SAO Results- 2019

- ▶ TBD...
 - ▶ Due to COVID the results are not available yet
 - ▶ We have been briefed that there were no findings for King County
 - ▶ This means the King County Response was sufficient to meet the recommendations provided by the SAO in 2018 AND no other issues or deficiencies were found

Summary of Findings-2018

SKCDPH programs selected:

1. CFDA Number & Title: 93.898 Cancer Prevention & Territorial & Tribal Organizations Control Programs for State
2. CFDA Number & Title: 93.914 HIV Emergency Relief Project Grant

1. The County could not provide sufficient documentation to demonstrate it competitively procured some of their contracts

2. The County could not provide sufficient documentation to demonstrate that it performed a cost or price analysis, as required, for some of their contracts

SAO Recommendations- 2018

We recommend the County strengthen its controls to ensure all purchases paid with federal funds are procured in accordance with federal requirements, the County should:

- ▶ Provide trainings to staff involved in procuring federally funded contracts
- ▶ Establish monitoring controls to ensure the County's procurement policy is followed

King County Response- 2018

- ▶ The County will update its procurement policy and procedures to address all federal procurement requirements and thresholds.
 - ▶ We (HCHN) will utilize these new policies & procedures during our big RFP we will be running in 2021
- ▶ We will also continue to train and monitor staff to ensure compliance with the Uniform Guidance federal procurement requirements.
 - ▶ HCHN staff have taken trainings on how to follow new procurement policies & procedures



King County Budget Update- HCHN & Mobile Medical 2021-2022

Overview of Budget Changes - 19/20 to 21/22

Revenue	19-20 Budget	% of Total	21-22 Budget	% of Total	
FEDERAL GRANTS DIRECT	\$9,976,828	35%	\$10,121,828	34%	2 full years of PCHP/HIV HRSA grant added into biennium budget
FEDERAL GRANTS INDIRECT (MAC)	\$295,706	1%	\$139,034	0%	Decrease in eligible expenses over past few years- reduced expected revenue
GRANTS FROM LOCAL UNITS (State)	\$484,000	2%	\$484,000	2%	N/A
CHARGE FOR SERVICES (KC)	\$8,596,767	31%	\$9,344,170	32%	Increase in VSHSL with addition of 2 full years of Senior Mobile Medical program & significant increase in program budget in 2022
DONATIONS	\$130,000	0%	\$130,000	0%	N/A
OTHER FINANCING SOURCES (Respite, PGR, HSD, GF, SKC Cities Dental)	\$8,699,543	31%	\$9,265,134	31%	Increase in HSD with 2 full years of expected Low Acuity funding
Total	\$28,182,844		\$29,484,166		
Expenses	19-20 Budget	% of Total	21-22 Budget	% of Total	
WAGES AND BENEFITS	\$4,805,755	17%	\$5,915,295	20%	General Wage Increase & additional staff associated with new programs mentioned above (PCHP/HIV & SMM)
SUPPLIES	\$116,052	0%	\$139,452	0%	Slight increase in anticipated supplies costs associated with new programs mentioned above (PCHP/HIV & SMM)
SERVICES-OTHER CHARGES	\$20,714,079	73%	\$22,251,698	74%	Increase in contracted services associated with new programs mentioned above (PCHP/HIV, SMM & Low Acuity)
INTRAGOVERNMENTAL SERVICES	\$1,065,542	4%	\$992,270	3%	Department & Division wide cost saving measures have reduced central rate costs
CAPITAL OUTLAY	\$573,000	2%		0%	19-20 budget included capital for new street med vehicle, senior mobile van and the equipment associated with both; none anticipated 21-22
APPLIED OVERHEAD	\$989,492	4%	\$615,150	2%	Department & Division wide cost saving measures have reduced overhead burden rates
Total	\$28,263,920		\$29,913,865		

Highlights of Changes - 19/20 to 21/22

Increases in funding for HCHN programs and services

- ▶ New Primary Care HIV Prevention (PCHP) added to base award
 - ▶ New FTE and new contract for services
- ▶ VSHSL- addition of Senior Mobile Medical Van Strategy
 - ▶ Increase in contracted services
- ▶ Anticipated continuation of HSD Low Acuity funding
 - ▶ Increase in contracted services

Decreases in funding for HCHN programs and services

- ▶ King County Dept of Community & Human Services (DCHS)
 - ▶ \$500,000 onetime funding to support the creation of the new Mobile Street Medicine Team